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ABSTRACT

A study of the importance of foreign language skills to the success of Australia's business and industry in exporting to non-English-speaking countries is reported. The study has three parts. The first describes a telephone survey of 50 Australian companies requesting information on crucial factors in export marketing and employee language needs, and a mail survey of 451 companies exploring in greater detail employers' perceptions of the relationship between foreign language skills and export success. The second part of the report, which is divided into five chapters, discusses issues related to the surveys and analysis of results, focusing on the findings' implications for directions in the Australian economy, management of new markets, estimation of language needs, and problems in relating the curriculum to industry's needs. A review of literature is also included in this section. The third part is a summary, with recommendations. Data collected from individual companies in the telephone survey and results of a survey of newspaper advertisements for positions with a non-English language requirement are appended. (MSE)

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# The Relationship Between International TRADE & Linguistic Competence

Department of Employment, Education and Training

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Department of Employment, Education and Training

# The Relationship between International Trade and Linguistic Competence

(Report to the Australian Advisory Council on Languages and Multicultural Education)

John Stanley
David Ingram
Gary Chittick

Australian Government Publishing Service
Canberra

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# FOREWORD

This Report was commissioned by the Australian Advisory Council on Languages and Multicultural Education (AACLAME) to encourage discussion of the role of linguistic and cross-cultural planning in improving Australia's economic performance.

One of the key principles of the National Policy on Languages, a policy being implemented under the auspices of AACLAME, has been the practical aspect of languages and cross-cultural studies. Funds have been made available for the incorporation of language and cross-cultural emphases into MBA courses, and at lower levels of education the study of a number of languages of economic importance to Australia has been encouraged. Following from these steps to promote the learning or retention of languages, the present study examines their utilisation in the economic sphere. Such an approach is not intended to downplay the cultural, intellectual and social reasons for language teaching in Australia, but rather to supplement them.

This Report was undertaken in the context of growing concern about Australia's international competitiveness. In a situation in which two-thirds of Australia's main trading partners are non-English speaking and dependence on commodity trade is being overtaken as a source of growth by language-intensive service industries, linguistic planning must assume an increasingly important role in company strategies. So far, Australian responses have been slow. There has been a good deal of discussion about Australian companies' lack of an export culture, but concrete analysis of what can be done to help foster this culture has been in short supply.

Awareness of these needs prompted AACLAME to commmission a review of the relationship between international trade and language competence in May 1989. The review was undertaken by Brisbane College of Advanced Education's David Ingram, John Stanley, and Gary Chittick. The consultants were asked to set Australia's macro-economic directions and their language implications in the comparative context of the trade and language policies and approaches of a number of major trading nations, to examine the current utilisation of languages by Australian companies, and to indicate what level and type of language skills should be developed in future.

One of the strengths of the work they have produced is its comprehensiveness. Its survey of linguistic and economic issues is global in scope. Properly, it examines the Asia-Pacific region, but the Middle East, Europe, and North and South America are also included. This mapping of pathways for Australian export growth will be of even greater significance with the unification of the European Economic Community in 1992 and the entry on to the world economic stage of the Eastern European countries.

AACLAME welcomes this addition to the debate on the role of languages in Australia's economic future and hopes to see it stimulate further progress in language learning and utilisation. The National Policy on Languages is built around four justifications for language learning: cultural and intellectual enrichment, economic advantage for the individual and the nation, equality of access and opportunity for those disadvantaged by language, and the facilitation of Australia's external relations. The Report provides cogent documentation for the arguments stated in the National Policy, and demonstrates the need to continue resource allocation and policy development in this vital area.

Joseph lo Bianco
Chairman
AACLAME

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# INTRODUCTION TO REPORT

This report is directed to examining the importance of foreign language skills in determining the success of Australia's business and industry sectors in exporting to non-English speaking countries. It is divided into three parts.

**PART I** The Survey, methodology and findings of the Survey.

**PART II** Discussion of issues related to the Survey and analysis of survey results.

Part II is divided into chapters according to the brief stated in the original submission to review the nexus between language and trade. Thus:

**Chapter 1** Directions of the Australian economy.

**Chapter 2** Managing new markets. This sets out the range of situations in which language competence affects trade performance and illustrates how lack of language competence can damage or hinder trade.

**Chapter 3** Estimating language needs in terms of the sectors of the economy that have language needs and the type and level of skills needed.

**Chapter 4** The academic-industrial divide and the problem of relating the curriculum to the needs of industry. How future language needs will be met by developing new business and language education models.

**Chapter 5** Literature review.

**PART III** Summary and Recommendations. Tables of results of LOTE positions advertised in press. Results of telephone survey.

**Note:** LOTE = Language(s) other than English.

# PART I

## The Survey

## INTRODUCTION

There are basically three different techniques for investigating the foreign language needs of industry and commerce.

### PARTICIPATING OBSERVATION

Here the research worker observes one person or a group going through their working routine and records the language activities and the contexts in which they occur. The main disadvantage of this approach is expense and the difficulty of carrying it out extensively enough to allow statistically based generalization.

### DETAILED INTERVIEW

In this case the research worker conducts an interview of approximately 20 minutes to construct a profile of the interviewee's LOTE needs, using fairly open-ended questions. This procedure was used initially in the present survey. Thirty companies were approached directly, the names of which had been extracted from the Kompass Directory. Even though those companies had indicated in the Directory entry that they were exporters, in many cases they were not. Another 50 companies selected from Austrade's list of exporting companies were telephoned. Summary details for each of the 50 companies approached by phone are given in Appendix 1.

It might be assumed that quite informative data would be gained through the personal interview either by phone or face to face. This was not necessarily the case and there are many reasons why:

The kind of questions of interest to this report are usually only accessible through a number of different company departments. For example the policy on employing people with linguistic skills is most likely to be explained effectively by the personnel department. Data about the percentage of exports to non-English speaking countries will be the province of the export department. Data on the need for LOTE by technical staff will be most likely available, if known at all, by staff in the technical department. There is then an immediate problem in accessing a company member who will have all this kind of information available, or who is able and willing to obtain it.

A second problem is the sheer lack of experience in exporting that most Australian companies have had. For most of them it is a peripheral minority interest. Their export successes do not loom large. We should point out here that we did not seek out the Australian Export Award Winners for information. Their successes and high degree of dependence on knowledge of LOTES is already well documented, but they are not typical companies. The 'normal' company does not have easily available data on the names of countries to which it exports, and whether or not they speak English. Many companies operate through agents and might not even know their product destinations. No company interviewed was able to put any but the most approximate figure on its export percentages or even the number of people employed in the company.

A third difficulty is that in asking for a businessman's perception of the importance of LOTES, one is attempting to measure 'soft attributes' as opposed to quantifiable or 'hard attributes'. Another way of looking at this distinction is in terms of the differences between 'bounded' and 'unbounded' problems. The essential differences are listed below.

| **Characteristics of bounded problems** | **Characteristics of Unbounded problems** |
|---|---|
| – know what would be a solution | – no 'solutions' |
| – priorities clear | – priorities called into question |
| – limited timescale | – longer, uncertain timescale |
| – limited applications | – uncertain, but greater implications; worrying |
| – limited number of people involved | – more people involved |
| – know what the problem is | – not sure what the problem is |
| – know what needs to be known | – don't know what needs to be known |
| – can be treated as a separate matter | – can't be disentangled from its context[1] |

By their nature bounded problems are clearly focussed points of interest to management. For the company's general manager, unbounded problems, such as the language training needs of his busy exporting manager are postponable and probably insoluble. Because they are often not seen as distinctive problems they are easily confused with other equally unbounded problems, for example how to get access to up to date overseas market intelligence. Part of that problem may be a language problem. This can be seen in the Price Waterhouse survey to estimate employers perceptions of the role of language as a barrier to export marketing. (Table 1).

## Table 1[2]
## Barriers to Entry — Export Marketing

| **Issue** | **Percentage of Respondents Identifying as a Problem Group A** | | | | |
|---|---|---|---|---|---|
| | 1 (N=123) | 2 (N=94) | 3 (N=26) | 4 (N=36) | 5 (N=151) |
| Ability to access international market data | 54 | 54 | 69 | 39 | 56 |
| Ability to access personnel/ consultants in Australia withappropriate marketing skills | 41 | 36 | 32 | 34 | 50 |
| Ability to access overseas representatives/have your own overseas person to market your products | 54 | 49 | 58 | 58 | 65 |
| Ability to negotiate with regulatory agencies and gain entry for your goods/ services into the overseas market | 48 | 49 | 46 | 50 | 42 |

## Table 1 (continued)

| Issue | Percentage of Respondents Identifying as a Problem Group A | | | | |
|---|---|---|---|---|---|
| | 1 (N=123) | 2 (N=94) | 3 (N=26) | 4 (N=36) | 5 (N=151) |
| Ability to respond timely to export sales enquiries, tenders etc from Australia | 21 | 25 | 23 | 25 | 34 |
| Ability to guarantee supply/ delivery of export products because of transport/ regulations difficulties | 41 | 42 | 23 | 44 | 35 |
| Ability to finance your export marketing activities | 67 | 62 | 62 | 56 | 72 |
| Ability to communicate or do business in a non-English speaking/non-British law based country | 42 | 37 | 54 | 39 | 40 |

In Group A there were five sub-groups

1. firms that were only newly established (first year of operation)
2. firms that have been established for 1 year or more and have export marketing and exporting experience
3. firms that have been established for 1 year or more and have export marketing but no exporting experience
4. firms that have been established for 1 year or more, have no export marketing experience but have exported
5. firms that have been established for 1 year or more, have no export marketing experience and have not exported

The table shows that over half of the first year EMDG recipients identified as major barriers;

(a) ability to access international market data

(b) ability to access overseas representatives/have own overseas presence

(c) ability to finance the export marketing activities.

In both (a) and (b) one would expect a considerable element of the problem to be related to communication, though it might not be perceived as such by businesses. Nevertheless the problem 'Ability to communicate or do business in a non-English speaking/non-British law based country' receives a low rating.

A similar relationship occurs in our own survey where we find 'lack of knowledge of foreign markets' given a high rating as a problem, but 'lack of knowledge of relevant language' given a relatively low rating, even though the first would seem to have some dependence on the second.

Reservations then are necessary about a survey procedure that attempts to separate out a lack of knowledge of the relevant language as a distinct factor.

## POSTAL SURVEY BY QUESTIONNAIRE

The main disadvantage here is the low response rate which Schröder reports as usually under 20%.[3]

In the survey being discussed there was a return of questionnaires of just under 25%. Many however were returned incomplete or had obviously been completed very casually.

The overall objective of the questionnaire was to elicit employers perceptions of the relationships between foreign language skills and export success. To arrive at this objective the questionnaire examined a number of factors related to the linkage between the two;

(a) the non-English speaking destinations for Australian exports

(b) the dependence on agents, interpreters and translators

(c) the perception of employers about the need for foreign language skills in their own workforce

(d) the extent to which employers see lack of foreign language skills actually damaging their export success

(e) the perceptions of employers as to the importance of a lack of foreign language skills, compared with other obstacles.

We have already raised some of the methodological problems confronting a survey of this kind. It might however be assumed that employers on the basis of experience would be better informed than the general public as to the significance of foreign languages for trade. In fact employers perceptions of the importance of foreign languages varied widely from one extreme, suggesting that language skills are irrelevant to export success to the other extreme that regarded language skills to be vital. This kind of division is found elsewhere, thus Reeves writes of a U.K. 1984 survey;[4]

> *"But rather more significant was the persisting deep divide in all trade towards the fundamental importance of foreign languages for exporting. The industrial and commercial sectors represented by the two groups were largely similar or indeed identical. Yet there were even cases of rival companies taking dramatically opposed views on the value of languages. The second group, which was by definition committed to some form of language training, regarded the resultant capability without exception as indispensable for their success".*

It was found to be a fundamental difficulty in carrying out the survey that Australian businessmen themselves are so divided as to the role of language skills. There seem to be four main reasons why their views are so inconclusive compared to, for example, the perspectives of German businessmen which are much clearer as to the importance of F.L. skills. Firstly as we have discussed elsewhere, the ubiquity of English is misleading. It is a genuine though mistaken part of many businessmens' world view that the people who count in overseas companies speak English.

The second reason is that language is difficult to 'factor out' of the complex of skills required in overseas trading. The third reason is the lack of appreciation of what might be termed the competitive edge. Business success always takes place at the margin. It is the marginal advantage which your product or your presentation has over your competitors that, *ceteris paribus*, will determine whether the deal is won. Frequently the successful businessmen being interviewed referred to foreign language skills as contributing to the competitive edge. This represents both a rather abstract, unbounded concept to manipulate and a way of avoiding the difficulty of being specific.

The fourth reason is the actual lack of experience that most Australian businessmen have in using foreign languages. One consequence of belonging to the 'monolingual empire' is suffering from monolingual myopia. By that we mean a complex of deficiences. We have illustrated these deficiencies in action in a practical way in chapter 3 particularly in the quotation from Stephen Bungay. At this point we would summarise them as an inability to communicate or receive communication either directly or indirectly and as a consequence remaining in ignorance of knowledge that is essential to you carrying out your role effectively. What is critical here is that the significance of this ignorance cannot be appreciated precisely because the businessman has no experience of the difference that knowing the language would actually bring. To put it crudely you don't miss what you have never had.

Nevertheless extensive evidence for a positive correlation between language skills and export success has already been well established. It can be found for example in literature on the Australian Export Awards. It can be found overseas in work by the British Export Trade Research Organisation in their survey of companies which had won the Queen's Award for Export and those that had not. That survey showed that:

*i.* *90% of all the language graduates employed in exporting within the manufacturing sector were employed by Queens Award winners.*

*ii.* *The range of languages covered by Queen's Award winners was superior to that of non-Award winners.*

*iii.* *Among engineering companies the high exporters employed a higher percentage of linguists.*

*iv.* *Companies that exported over 40% of their production showed high language coverage in their main markets.* (Reeves 1985)

Evidence for this correlation is available from many other sources in the U.K. and in Europe. Thus Schröder deploring the lack of trilinguals in Germany observes:[6]

> *"The Federal Republic of Germany is, as everybody knows, an export oriented country. In recent years three major regional studies and a number of smaller papers have been produced on the foreign language needs of industry and commerce covering some 1000 firms of different size and orientation. Although they are meant to be mere explorations of a new and rather intricate field of research, these investigations have since had a fair amount of political publicity (pro and con), and they have, somewhat rashly, been used as a starting point for curriculum development both within the upper secondary level and commercial education.*

*The basic results are as follows:*

** There is a vast discrepancy between the variety and number of foreign languages learnt at school and the needs of exporters.*

** Almost 80% of the companies concerned need two or more foreign languages, and some 45% need three or more. The important languages, apart from English, French, Spanish and Italian include Portuguese and Russian.*

** Smaller companies have an especially marked need for staff familiar with foreign languages even in non-linguistic positions. The main language needed, apart from English is French ......"*

Hagen's 12 year survey of the need for foreign languages in Northern English industryy noted in its key findings that*"there is now substantial evidence to suggest that trading opportunities have been lost for lack of certain foreign languages, principally German, and specific language skills in Northern industry."*[7]

What is particularly notable about the above comments is that firstly, as Schröder points out, we are looking at a new and rather intricate field of research, and secondly as Hagen's 12 year survey indicates it is a task that takes considerable time.

There is reason to believe that the present survey was of exploratory value in showing many of the pitfalls which should be avoided, but tends to confirm the remarks of Schröder and Hagen as will be seen later that the undertaking was considerably more intricate than anticipated.

It is pertinent at this point to mention that a considerable number of letters were sent to a large range of institutions and individuals which it was felt would be able to offer useful perspectives on the main issues. It was of interest to note that as in the case of the business questionnaires, the replies, even from well informed sources, ranged from highly dismissive views that LOTES were not significant, to the highly committed.

It became apparent as the survey proceeded, that the instruments used even including personal interviews, were too blunt to do justice to the complexity of the problem. We have already mentioned some of the difficulties involved in preceding paragraphs. As we examine in detail the results for the individual items on the questionnaire the deficiency of this approach will become more apparent.

## FORM AND FREQUENCY OF RESPONSES TO THE POSTAL QUESTIONNAIRE

In preparing the questionnaire as much consideration as possible was given to similar questionnaire designs already used overseas.

**Question 1:** Company size by number of employees

The questionnaire was sent to 2,000 companies in the employee range 5 to 500, and the turnover range $500,000 to $25 million. The exclusion of larger companies outside these ranges was based on five assumptions.

(a) The organisation and operating styles of large companies are different from those of small and middle sized companies, just as entrepreneurial behaviour in large companies has been shown to be different from entrepreneurial behaviour in small and middle sized companies. We do not believe that descriptions of export problems relating to large companies can be usefully generalized to smaller ones.

(b) The capital base from which large companies operate is so large that the extra expenditure incurred for more highly skilled units of labour such as employees with language skills, and the related costs of recruiting activities to employ those more highly skilled will be marginally much less significant than for smaller companies.

(c) Australia's export problem is more closely associated with enabling smaller and middle sized companies to break into new and developing markets than it is with developing the strengths already clearly manifest in the export field of the larger companies. That is not to say there are not successful small to middle sized exporters. There are, but they are relatively few in number.

(d) There is considerable evidence to show that entrepreneurial and managerial talent in the small to middle sized company sector is less professional and specialised than in the larger company sector.

(e) The structure of the E.M.D.G. grants recognizes in its allocating functions that it is the smaller company sector that needs most help.

Though the questionnaire was not directed at large companies, in fact the Austrade database had changed since its inception to the extent that our sample included 44 companies with over 400 employees.

**Table 2**

| No. of employees | per cent | No. of companies |
|---|---|---|
| 1 - 20 | 31.7 | 143 |
| 21 - 50 | 20.0 | 90 |
| 51 - 200 | 26.3 | 119 |
| 200 and over | 22.0 | 99 |
| Total | 100.00 | 451 |

The sample chosen was 2,000 companies from Austrade's data base of 6,000 exporters. Companies were chosen from industry sectors to include 1,200 from the manufacturing sector and 800 companies equally divided among the 3 sectors mining, rural industries and fishing services. Of the 2,000 to whom the questionnaire was sent 451 replied, of which 433 indicated numbers employed. While the range of number of employees was extremely wide (up to 50,000 in 1 case), 50% of companies had less than 50 employees, 75% had under 200 employees and 90% had less than 500. We are therefore discussing mainly small and medium sized businesses.

In addition to the 451 returns received a further 100 arrived after data entry had been completed and were therefore not included.

For comparing sample sizes of this, with other surveys, we have included the following data.

**Surveys of British Firms Using Foreign Languages**

| Author or Short title | Year of date | Sample size of firms (N) |
|---|---|---|
| York report | 1972 | 51 |
| LCCI | 1972 | 593 |
| Barclays Bank Int | 1978 | 120 |
| BETRO Trust | 1979 | 200 |
| C. Wilding | 1979 | 49 |
| R. Savage | 1980 | (70) |
| J. Harmon | 1981 | 121 |
| Collinson *et al* | 1981 | 76 |

**Question 2:** Percentage of sales to customers in non-English speaking countries (NESC).

A significant problem of definition arose in this question in relation to the meaning of non-English speaking regions. It was felt that considerable care had to be taken in designing a questionnaire that might be widely distributed and could be misinterpreted, for example, by defining Malaysia or the Philippines as English speaking countries. We have included in Chapter 3 correspondence from Austrade offices in both countries which is relevant to this issue. Both sources are quite emphatic that for business purposes English is totally satisfactory. Thus Austrade Philippines observes:

> *"I refer to your questionnaire on foreign language interpreting and translation needs of Australian businessmen in non-English speaking countries. I have reviewed the document and can advise that its contents are not applicable to the Philippines.*
>
> *English is widely spoken and taught, and is the principal language used in international business negotiations between the Filipinos and foreign companies. In the experience of this office there has never been a request for assistance with translation or interpretation."*

The above comment is interesting. It does not tally with other assessments by Austrade of the importance of F.L. skills. (See below.)

### Major Australian Markets:
### Importance of Foreign Language Knowledge to Doing Business[8]

| | |
|---|---|
| Critical | PR China<br>Japan<br>Middle East |
| Very important | USSR<br>France<br>Thailand<br>Indonesia |
| Fairly important | Republic of Korea, FR Germany, Italy, India, **Philippines**, **Malaysia**, Hong Kong, Taiwan, Singapore, Canada |
| No problem | USA<br>Britain<br>New Zealand |

Austrade 1988

Clearly if Austrade itself is undecided about the role of English in overseas markets such as the Philippines and Malaysia, it is unlikely that we can expect the perceptions of individual companies to be accurate.

In fact the whole question of the extent to which many so-called N.E.S.C. do use English; whether social and economic strata in those societies **prefer** to use English as a marker of prestige; whether the Australian businessman's dependence on English is read as a negative indicator, are all open questions which cannot be answered within the compass of our basic questionnaire. Yet the answers to such questions are very pertinent in deciding such questions as whether more investment in language training should go into one language rather than another.

## Table 3
## Percentage of Sales to Customers in Non-English Speaking Countries NESC

| Exports as Percentage of Totals Subs | No. of Companies (F) | Cum Count | Per cent | Cum Per cent |
|---|---|---|---|---|
| Nil | 129 | | | |
| 1 | 23 | 129 | 28.6 | 28.6 |
| 2 | 24 | 152 | 5.1 | 33.7 |
| 3 | 13 | 176 | 5.3 | 39.0 |
| 4 | 6 | 189 | 2.9 | 41.9 |
| 5 | 46 | 195 | 1.3 | 43.2 |
| 6 | 4 | 241 | 10.2 | 53.4 |
| 7 | 1 | 245 | .9 | 54.3 |
| 8 | 1 | 246 | .2 | 54.5 |
| 10 | 48 | 247 | .2 | 54.8 |
| 11 | 1 | 295 | 10.6 | 65.4 |
| 12 | 2 | 296 | .2 | 65.6 |
| 13 | 1 | 298 | .4 | 66.1 |
| 15 | 18 | 299 | .2 | 66.3 |
| 16 | 1 | 317 | 4.0 | 70.3 |
| 17 | 1 | 318 | .2 | 70.5 |
| 20 | 17 | 319 | .2 | 70.7 |
| 21 | 1 | 336 | 3.8 | 74.5 |
| 25 | 14 | 337 | .2 | 74.7 |
| 28 | 1 | 351 | 3.1 | 77.8 |
| 30 | 14 | 352 | .2 | 78.0 |
| 33 | 1 | 366 | 3.1 | 81.2 |
| 35 | 7 | 367 | .2 | 81.4 |
| 40 | 14 | 374 | 1.6 | 82.9 |
| 42 | 1 | 388 | 3.1 | 86.0 |
| 45 | 2 | 389 | .2 | 86.3 |
| 50 | 15 | 391 | .4 | 86.7 |
| 52 | 1 | 406 | 3.3 | 90.0 |
| 54 | 1 | 407 | .2 | 90.2 |
| 57 | 1 | 408 | .2 | 90.5 |
| 60 | 13 | 409 | .2 | 90.7 |
| 65 | 2 | 422 | 2.9 | 93.6 |
| 70 | 5 | 424 | .4 | 94.0 |
| 72 | 1 | 429 | 1.1 | 95.1 |
| 75 | 2 | 430 | .2 | 95.3 |
| 80 | 8 | 432 | .4 | 95.8 |
| 85 | 1 | 440 | 1.8 | 97.6 |
| 88 | 1 | 441 | .2 | 97.8 |
| 90 | 9 | 442 | 2.0 | 100.0 |

Of the 451 companies that responded to this question 29% indicated NIL exports to non-English speaking countries. Considering Australia's geographical proximity to N.E.S.C. this is quite high. Just over 50% of companies exported less than 5% of their sales to N.E.S.C; 70% of companies exported less than 15% to those countries. These figures tend to confirm the view taken by several industry reports that Australia is not a significant exporting country on the world scene; most Australian companies regard exporting as the minor part of their operations, and that the case studies of successful Australian exporters are studies of an exceptional minority.

These figures also tend to indicate that the performance and experiences of the Australian Export Award Winners must provide the main source to confirm the link between language skills and export success. Just as in the U.K., the literature on Export Award Winners does in fact make a strong link between language and trade.

Though Austrade was able to facilitate our research by making available a separate list of the Australian Export Award Winners over the last 5 years, time did not allow us to follow them up individually. What seemed of more importance was to attempt to establish the links between language skills (or lack of language skills) and the mediocre level of export performance to N.E.S.C. which characterises the greater part of Australian small to medium sized exporting companies.

A point that was reiterated by one of our Austrade informants charged with administering the Export Award Winners scheme was the difference in attitude and approach of Export Award Winners and the run of the mill exporters. In a later chapter we have emphasised the importance of a whole profile of industry attitudes in accounting for the Australian malaise. Export Award Winning companies are not just successful as exporters. They are reputed to be successful across all company activities. The nexus requiring investigation here may be between overall company performance/language skills/export success, rather than simply between language skills and export success.

**Question 3a:** In which countries do you market?
**Question 3b:** Have you attempted to market recently?
**Question 4:** If you no longer market in a particular country what are the principal reasons for not doing so?

In our analysis of responses these three questions have been treated together.

It was apparent from our test survey of personal visits and our test questionnaire that for many companies, indicated as exporters in trade directories, exporting was often a one off, experimental affair. Many companies are in fact testing the water. Hence a country may be an export market for a company on just one occasion. When this is the case the company may be highly dependent on Austrade or private sector agencies. In such a situation companies are likely to regard LOTE skills as a very peripheral factor.

This question may be of significance with regard to the LOTES in which most investment should be made for language training purposes. In all three responses the same group of LOTES occur, though not always in the same order.

**Table 4**

| **Question 3a** | | | **Question 3b** | | | **Question 4** | | |
|---|---|---|---|---|---|---|---|---|
| Language | No. of responses | | Language | No. of responses | | Language | No. of responses | |
| Japanese | 111 | (1) | Mandarin | 50 | (1) | Arabic | 11 | (1) |
| Mandarin | 95 | (2) | Arabic | 37 | (2) | Mandarin | 8 | (2) |
| Arabic | 73 | (3) | Japanese | 32 | (3) | Japanese | 6 | (3=) |
| Indonesian | 55 | (4) | Spanish | 30 | (4) | Indonesian | 6 | (3=) |
| Korean | 37 | (5) | Indonesian | 23 | (5) | Spanish | 5 | (4) |
| Thai | 32 | (6) | Korean | 22 | (6) | Korean | 3 | (5=) |
| Spanish | 23 | (7) | Thai | 15 | (7) | Thai | 3 | (5=) |
| German | 22 | (8) | German | 11 | (8) | German | 1 | (6) |
| French | 19 | (9) | French | 8 | (9) | | | |

We cannot attach a great deal of significance to the detailed ordering of these figures. It is important that the same group of 9 languages occur in each of the three lists and that they occur roughly in the order of Far Eastern, Middle Eastern and European. But within a decade such a list could change markedly. For example the most widely spoken language in Europe is Russian. It is not yet a significant trading language, but this could alter quite quickly.

Companies frequently remarked in the phone survey on the problem of choosing a language on which to concentrate attention. This factor may be discouraging companies from paying attention to language at all.

**Question 5:** To what extent do you depend on overseas agents for your marketing in N.E.S.C.

Of the 451 returns, 29% gave no response to the question. Of the 322 positive replies, 32% were totally dependent and 34% were moderately dependent on overseas agents for marketing in N.E.S.C, i.e. 66% had some substantial commitment to the use of agents. This dependence is important inasmuch as it reflects firstly on companies' inabilities to make first hand contacts in markets themselves; secondly it indicates that a critical amount of company profits may be diminished by payments to agencies. This could be a significant determinant of a company's marketing costs and hence its breakeven point, particularly in a market which is taking time to show satisfactory returns as often happens in the development of export markets. It has been acknowledged that trading companies do take sizeable segments of exporters profits, at least in Japan. However the role of agencies as a substitute for overcoming the linguistic weaknesses of Australian Businessmen is sufficiently complex to merit independent research.

**Question 6:** How often do you or your employees need foreign languages in their jobs?

**Table 5**

| | Management Staff % | Marketing Staff % | Personnel Staff % | Technical Staff % | Secretarial Staff % |
|---|---|---|---|---|---|
| No response | 28.8 | 29.7 | 36.8 | 34.1 | 33.3 |
| Never | 27.3 | 21.1 | 51.7 | 35.0 | 46.8 |
| Occasionally | 35.3 | 34.4 | 8.6 | 25.3 | 17.3 |
| Frequently | 6.0 | 10.6 | 1.8 | 4.7 | 1.8 |
| Continually | 2.4 | 4.2 | 0.9 | 0.9 | 0.9 |

There are few surprises in the above data. One would intuitively expect both management and marketing to have most overseas contacts, taking into account the fact that most firms in our sample tended to see exporting as a minor hence non-routine operation, i.e. the atypicality of export activity requires managerial supervision. Not enough firms have a sufficient quantity of export business to create a large demand for bilingual secretaries. It is probable that when exports become a more significant proportion of companies' business affairs, as in the U.K., then the findings of Morris[9] (1980) and Hurman[10] (1982) of greater job opportunity for bilingual (and trilingual) secretaries than for any other job category involving languages in industry, might be confirmed.

But for the present there seems to be a vicious circle. If we consider for a moment the minor communication revolution initiated by the fax one can see that there could be a considerable increase in demand for bilingual or trilingual secretaries to deal with the increasing amounts of written material. Are Australian businesses able to participate in this international circle of fax exchange? The answer for many of them is no unless they can do so in English. But to do so in English is in many cases to lose to competitors who can send their messages in the language of the receiver or sender.

The implications of the above trend which have long since arrived in Europe have not by and large hit the Australian business community. Export activity does not merit hiring bilingual secretaries. Without those bilingual skills export activity is not going to proceed very far.

**Question 7:** Has a lack of foreign languages skills among employees in the areas listed negatively affected your company's trading activity?

## Table 6

| | Management Staff % | Marketing Staff % | Personnel Staff % | Technical Staff % | Secretarial Staff % |
|---|---|---|---|---|---|
| No response | 29.7 | 31.7 | 38.1 | 35.7 | 35.5 |
| Never | 41.9 | 36.4 | 54.8 | 46.1 | 54.1 |
| Occasionally | 24.8 | 26.8 | 6.0 | 15.3 | 9.3 |
| Frequently | 2.2 | 3.8 | 0.7 | 1.8 | 0.7 |
| Continually | 1.3 | 1.3 | 0.4 | 1.1 | 0.4 |

This result is significant in a number of respects. It indicates as might be expected that marketing is most likely to be negatively affected by a lack of language skills. Nevertheless, of all respondents only 27 percent of companies reported a negative effect in this area and that only happening occasionally. From this, one would be entitled to conclude that lack of LOTE skills does indeed have a real but minor effect. From the individual company's perspective is this effect such as to merit a change in policy on for example recruitment of Australian staff with LOTE skills? It seems likely they pay more attention to recruiting effective interpreters when required; setting up an office overseas and recruiting locals who can speak some English; using agents; operating as a joint venture; using a foreign trading company based in Australia. These are just some of the strategies a company can pursue before having to tackle the language learning problem head-on.

**Question 8:** Does your company use the services of non-company translators and interpreters?

## Table 7

| **Translators** | **(per cent)** |
|---|---|
| No response | 32.6 |
| Yes | 27.9 |
| No | 39.5 |

| **Interpreters** | **(per cent)** |
|---|---|
| No response | 33.3 |
| Yes | 24.2 |
| No | 42.6 |

Barely a quarter of the companies replying to this question had used either interpreters or translators. There seem to be many possible explanations for this but in a survey of this generality it is out of the question to go into very much depth on this point.

It may be the case that many companies draw as the occasion arises on the linguistic skills of members of their workforce employed for completely different purposes. To resolve the extent of this practice would require this kind of survey to be linked to surveys such as that conducted on the **Current and future demand for Asia-related skills in the Australian workforce** by Foley in 1989. The latter looked at the utilisation by employers, of workforce LOTE skills among employees who were employed in other roles. In the present survey it was felt that to ask employers additional questions about the extent to which they drew on that source to provide assistance with export language problems would be to jeopardise the responses to the whole questionnaire, apart from which employers very seldom have that kind of information accessible.

Another factor to be born in mind here is the fact that the level of exporting activity is generally so low that employers are probably going to labour along in English so long as they can see the other party is able to make approximate sense. At the same time they remain largely ignorant of the negative impact they are having.

**Question 9:** List the languages for which you require these services in order of importance.

As might be expected we find more or less the same languages listed as in questions 3 and 4. However the order is somewhat different. Given the sample size however we would not attach a great deal of significance to the difference in ordering.

**Table 8**

Japanese
Mandarin
German
French
Spanish
Arabic
Indonesian
Italian
Thai
Korean

**Question 10:** How much is spent annually on the services of interpreters and translators?

A very high 75 per cent gave no response to this question at all. One suspects that it would be data that would be quite difficult to retrieve from company sources in any case. What we are probably getting here are guestimates. On an annual basis the figures would not suggest a burdensome expenditure for most of the companies. Only 21 per cent of the companies which gave a response spend $10,000 or more annually (Table 9).

**Table 9**

| Expenditure per annum ($A) | Cum count | Pct | Cum Pct | No. of Companies |
|---|---|---|---|---|
| . | 337 | 74.7 | 74.7 | 337 |
| 50 | 338 | .2 | 74.9 | 1 |
| 100 | 341 | .7 | 75.6 | 3 |
| 150 | 342 | .2 | 75.8 | 1 |
| 200 | 349 | 1.6 | 77.4 | 7 |
| 300 | 351 | .4 | 77.8 | 2 |
| 400 | 353 | .4 | 78.3 | 2 |
| 500 | 364 | 2.4 | 80.7 | 11 |
| 800 | 365 | 2 | 80.9 | 1 |
| 1000 | 381 | 3.5 | 84.5 | 16 |
| 1500 | 386 | 1.1 | 85.6 | 5 |
| 1520 | 387 | .2 | 85.8 | 1 |
| 2000 | 387 | .2 | 85.8 | 14 |
| 3000 | 401 | 3.1 | 88.9 | 9 |
| 4000 | 410 | 2.0 | 90.9 | 3 |
| 5000 | 413 | .7 | 91.6 | 10 |
| 6000 | 423 | 2.2 | 93.8 | 1 |
| 7000 | 424 | .2 | 94.0 | 1 |
| 8000 | 425 | .2 | 94.2 | 1 |
| 10000 | 426 | .2 | 94.5 | 13 |
| 12000 | 439 | 2.9 | 97.3 | 1 |
| 20000 | 440 | .2 | 97.6 | 7 |
| 50000 | 447 | 1.6 | 99.1 | 1 |
| 100000 | 448 | .2 | 99.3 | 2 |
| 200000 | 450 | .4 | 99.8 | 1 |

**Question 11:** When recruiting employees do you take into account their foreign language skills?

### Table 10

| Management | (per cent) |
|---|---|
| No response | 31.0 |
| Never | 45.9 |
| Occasionally | 15.7 |
| Usually | 3.1 |
| Always | 4.2 |

For the area of management only 15 per cent of companies paid any attention to LOTE skills in the profiles of their prospective management recruits. In many ways this is consistent with the overall picture so far described. LOTE are low in level of importance in relation to other trade obstacles.

In the case of marketing staff the picture is marginally improved, 22 per cent of companies, occasionally, took languages into account when recruiting staff for marketing roles. However it should be noted that 31 per cent did not even reply to this item and as many as 36 per cent affirmed that they never took languages into account. The last statistic seems a strikingly high figure for a sample of companies that claim to be active exporters. Nevertheless it is a result well in conformity with the findings of the Hughes committee[12] that Australia has a very weak export culture. Tables for personnel, technical and secretarial staff are unsurprisingly low.

### Table 11

| | Marketing (per cent) | Personnel (per cent) | Technical (per cent) | Secretarial (per cent) |
|---|---|---|---|---|
| No response | 31.3 | 35.0 | 33.3 | 32.6 |
| Never | 35.9 | 53.9 | 47.7 | 51.4 |
| Occasionally | 22.2 | 7.8 | 13.3 | 11.8 |
| Usually | 5.1 | 1.3 | 2.7 | 1.6 |
| Always | 5.5 | 2.0 | 3.1 | 2.7 |

**Question 12:** When fixing employees salaries do you take into account their foreign language skills?

A similar picture emerges as for question 11. In the case of management nearly a third of companies make no response. A mere 11 per cent indicate that sometimes they may take LOTE skills into account but five times as many claim never to consider them.

In the case of marketing marginally more importance is attached to recognising LOTE skills as something of value to companies but the figure still remains only just over 15 per cent. This, in combination with results of preceding questions again emphasises that whatever the criteria employers do use to select staff they reflect considerable lack of awareness of any environment outside Australia. Some of the responsibility for this situation could be presumed to rest on the general low level of education among Australian executives. Or perhaps, as the Hughes report suggests, the long years of protection and excessive regulation have had a dulling effect on Australian management.

As can be seen from Table 12, commitment in this respect to personnel, technical and secretarial staff is almost negligible.

## Table 12

| | Management (per cent) | Marketing (per cent) | Personnel (per cent) | Technical (per cent) | Secretarial (per cent) |
|---|---|---|---|---|---|
| No response | 31.3 | 31.9 | 35.0 | 33.9 | 33.7 |
| Always | 4.7 | 5.8 | 3.1 | 3.8 | 4.2 |
| Sometimes | 11.5 | 15.3 | 6.9 | 10.2 | 8.0 |
| Never | 52.5 | 47.0 | 55.0 | 52.1 | 54.1 |

**Question 13:** What level of proficiency in a foreign language would you require in export sales staff?

A comparison of the two tables given below unsurprisingly indicates a heavier emphasis on the need for oral skills. Nevertheless the numbers even responding to this question are extremely low. The highest percentage, 18.2 is for the ability to meet routine social needs.

## Table 13

| **Oral** | **Yes** (per cent) |
|---|---|
| Zero — no language skills necessary | 27.9 |
| Able to meet routine social needs | 18.2 |
| Able to meet social needs and basic work needs | 16.9 |
| Able to use the language fluently and accurately for social or business needs | 9.1 |
| **Written** | **Yes** (per cent) |
| Zero — no language skills necessary | 33.5 |
| Able to meet routine social needs | 5.5 |
| Able to meet social needs and basic work needs | 12.4 |
| Able to use the language fluently and accurately for social or business needs | 6.9 |

**Question 14:** Do you feel your company has been successful in exporting to non-English speaking countries?

## Table 14

| | per cent |
|---|---|
| No response | 28.4 |
| Not at all | 1.1 |
| Occasionally | 11.1 |
| Moderately | 31.9 |
| Very successful | 27.5 |

It was expected that there might be some correlation between the answers to this question and employers' commitments to the value of language skills in fixing salaries or of taking language skills into account when recruiting. In fact this question correlated with no other variable. Such a supposition was probably naive given the low level of positive attitudes to exporting. Had time and resources permitted, the search for such a correlation might have been slightly more successful on a sample of the Australian Export award winners

In view of the overall low level of exports for the sample of companies as a whole it is perhaps disturbing that of the respondents to this question as many as 83 per cent regarded their efforts as having been either moderately or very successful. This could be interpreted as a defensive posture or an indication that within the very limited parameters of commitment of time and resources that companies set themselves for exporting they are relatively satisfied. This tends to confirm the view reiterated many times in this report that exports are regarded as a minor not a major pursuit.

If one looks at the sum of attitudes that have been indicated by the data so far the net impression is that companies see little incentive in exporting to NESC. Whatever may be the reasons for this perspective only a radical increase in incentives are likely to make companies change their underlying attitudes. It is often assumed that as the market in Australia diminishes companies will be "forced" to look overseas. On the basis of the very limited data we have examined this does not seem to be happening.

**Question 15:** Assess the significance of the items below as factors that inhibit your company exporting to non-English speaking countries.

**Table 15**

| **Lack of financial incentives** | **per cent** |
|---|---|
| No response | 15.3 |
| Not important | 32.4 |
| Important | 32.2 |
| Very Important | 20.2 |

| **Distance from Australia** | **per cent** |
|---|---|
| No response | 14.0 |
| Not important | 49.2 |
| Important | 23.7 |
| Very Important | 13.1 |

| **Lack of knowledge of foreign markets** | **per cent** |
|---|---|
| No response | 16.2 |
| Not important | 25.1 |
| Important | 37.5 |
| Very Important | 21.3 |

| **Lack of staff with knowledge of relevant language** | **per cent** |
|---|---|
| No response | 15.3 |
| Not important | 56.8 |
| Important | 22.8 |
| Very Important | 5.1 |

| **Import duties** | **per cent** |
|---|---|
| No response | 17.5 |
| Not important | 40.4 |
| Important | 28.2 |
| Very Important | 14.0 |

| **Too many rules and regulations** | **per cent** |
|---|---|
| No response | 15.3 |
| Not important | 37.9 |
| Important | 33.7 |
| Very Important | 13.1 |

| **Packaging, labelling and distribution problems** | **per cent** |
|---|---|
| No response | 16.9 |
| Not important | 50.8 |
| Important | 22.4 |
| Very Important | 10.0 |

| **Marketing and product/service promotion** | **per cent** |
|---|---|
| No response | 16.6 |
| Not important | 33.5 |
| Important | 37.3 |
| Very Important | 12.6 |

| **Inadequate product/service e.g.product design compared with competitors** | **per cent** |
|---|---|
| No response | 18.6 |
| Not important | 51.4 |
| Important | 21.1 |
| Very Important | 8.9 |

| **Other** | **per cent** |
|---|---|
| No response | 86.5 |
| Not important | 2.7 |
| Important | 1.8 |
| Very Important | 9.1 |

If the above items are ranked then we find:

| | **Position** | **per cent** |
|---|---|---|
| Lack of knowledge of foreign markets | 1 | 59 |
| Lack of financial incentives | 2 | 52 |
| Marketing and product/service promotion | 3 | 50 |
| Too many rules and regulations | 4 | 47 |
| Import duties | 5 | 42 |
| Distance from Australia | 6 | 37 |
| Packaging labelling and distribution problems | 7 | 32 |
| Inadequate product/service | 8 | 30 |
| Lack of staff with knowledge of relevant language | 9 | 28 |

The above finding coincides with that of the Price Waterhouse survey discussed elsewhere in the report. However again, confirming the PW survey of barriers to export, highly language related factors ARE RATED as major obstacles to trade. Thus in the case of the PW survey the two major barriers were — 'Ability to access international market data', 'Ability to access overseas representatives/have your own overseas person to market your products'. In the case of this study two of the most highly rated obstacles were lack of knowledge of foreign markets and marketing and product/service promotion problems.

A central issue in this report is the perception that companies have of their need for LOTE skills. The data for the 1987 Export Award Winners also did not rate LOTE skills highly per se. What they did rate highly were activities highly dependent on LOTE skills.

**Question 16:** Would your company be interested in any of the following?

### Table 16

| | | No response (per cent) | Yes (per cent) | No (per cent) |
|---|---|---|---|---|
| a. | Short intensive language courses for businessmen to be held on your company premises | 6.9 | 12.9 | 80.0 |
| b. | A self-study course in a foreign language for business purposes using self-instructional materials | 7.3 | 30.4 | 62.1 |
| c. | An audio-visual presentation of your product or service in a foreign language | 8.6 | 35.5 | 55.4 |
| d. | An up to date bulletin on what foreign language for business purposes training facilities are available in the vicinity of your company | 7.1 | 34.1 | 58.5 |
| e. | Employing a trainee business student with knowledge of a foreign language relevant to your company | 8.9 | 14.0 | 76.9 |
| f. | Advice on meeting the language needs of your company | 8.2 | 15.5 | 76.1 |

Generally the Australian business sector does not have a positive perspective on the contribution the private or public formal language training sectors can make to business. This has been confirmed in other reports on Asian languages in industry. To question 16b nearly one third of the responses were positive, despite the fact that there is little evidence of languages being acquired successfully by this method.

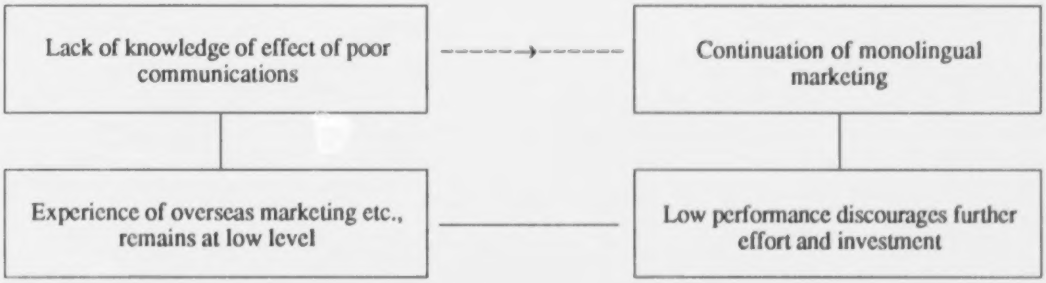
The responses to questions 16b, 16c, and 16d tend to indicate company interest in language learning facilities at about the level one would expect from responses to earlier questions.

Of serious interest for those looking at sandwich courses combining business and language training with work, a significant 77 per cent rejected the concept.

**Question 17**: The possibility of further discussions was rejected by 70 per cent.

### Comments on analysis

At the most general level one might conclude from the data that among the business community at large the attitude toward the need for foreign languages in their activities is one of scepticism or indifference. One would also conclude that this attitude was in the first instance closely related to the relatively unimportant role played by exports in their business activities and hence the very limited experience businesses have had of the ways in which lack of communication skills are actually impacting on their activities. At the most superficial level a kind of vicious circle seems to be in operation. We might illustrate it thus:


Lack of knowledge of effect of poor communications
Continuation of monolingual marketing
Experience of overseas marketing etc., remains at low level
Low performance discourages further effort and investment

We return for a moment to the problem as we defined it on page 3 of Part I of this report, namely the distinction we drew between bounded and unbounded problems. As was noted there what is under consideration is an unbounded problem which can now be characterised in the following way;

**no solution** — This may present itself as which staff should learn LOTES, which LOTES should they learn and other questions which make the resulting problem look so 'messy' it becomes equated with 'insoluble'.

**priorities called into question** — As we have already seen lack of the relevant LOTE receives a low ranking in terms of it being an obstacle to trade. At the same time we have also noted the high ranking given to other obstacles such as lack of sufficient finance or lack of government support.

**longer, uncertain timescale** — Companies prefer to be able to put clearly defined and budgeted limits on activities. Language learning does not lend itself very easily to that approach at least to most Australian companies.

**applications (or benefits) uncertain, but greater implications; worrying** — Investment in language learning clearly is not likely to have any immediate pay off, but what are the long run consequences if a company does not equip its staff properly?

**more people involved** — again uncertainty creeps in. Who should be involved? Do for example, technical staff need to know foreign languages or is it only a marketing or secretarial requisite?

**not sure what the problem is** — The problem does not lend itself to an easy definition. Ineffectual lines of communication can cause difficulties in unexpected places. The problem then gets to be defined in a piecemeal fashion, ie. is not really defined at all.

**do not know what needs to be known** — This is absolutely central to the whole issue. Two points are involved. The businessman is monolingual and probably has had very little experience of language learning. His lack of another LOTE and lack of awareness of another culture particularly, means that he is simply unable to understand that activities and the business environment can be conducted and experienced in a very different way and according to a very different set of rules and perceptions. To convey a sense of this difference is akin to explaining colour to somebody who is colour blind. It cannot be known only at an intellectual level, it has to be experienced to be understood.

His lack of experience of actually learning a language means that his associations of the term language learning may be predominantly coloured by his own school experiences which were academic , classroom centred and as far as his perceptions are concerned difficult to relate to the business world. On this point comments have been made in Part II on the negative images held by the business community of language teaching institutions.

**can't be disentangled from its context** — We have already shown how for example in the Price Waterhouse survey businessmen can clearly recognise a lack of knowledge of the foreign market as a major obstacle to trade but cannot see that integral to this lack of knowledge is their own inability to function freely and effectively in that market, a direct outcome of lack of linguistic competence.

Looking at the response to all the questions simply on a frequency basis the overall reaction is not encouraging on a number of levels.

As has been noted with similar surveys in the U.K. response levels overall were inaccurate and often low. As one firm in a British survey stated "It would take a long time to work out all this and we are very busy" thus emphasising one of the reasons for the low number of empirically based language studies of this kind.

Where the attitude is more positive it takes a rather ill defined form as in the following comment from a Business Marketing Manager for ICI Chemicals & Polymers Ltd. U.K.

> *"Knowing a foreign language gives you an added dimension, an unquantifiable edge or advantage. Languages are used increasingly, pro rata with business growth, and there's only an element of truth in the belief that English is the language of world business."*[13]

The analysis of the data made so far is essentially first level or basic analysis. From this analysis it is possible to draw conclusions based directly on the frequencies observed in response to each question, for example the percentage of companies which take foreign language skills into account when recruiting staff. The limits of the first level analysis for the purposes of this questionnaire are fairly clear. It tends to confirm in quantifiable terms what has often been suspected about many enterprises in the Australian business sector, for example it enables one to infer that the majority of businesses sampled had relatively little interest in improving the language capabilities of their staff; felt that languages were not a significant obstacle to their trading activities and already saw themselves as effective exporters.

Most surveys that have been carried out on the trade/language nexus have confined their analysis to the first level mentioned above, that is simply looking at frequencies. Within the time and finance parameters that were available for the present survey it has also been necessary to contain the survey mainly at the first level.

However a deeper level of analysis is also possible by cross-relating the values for variables already given. For example it may be interesting to know whether it is the smaller companies in the sample rather than the larger ones that are the most effective exporters. If this were the case it would tend to lead one to question the assumption made at the beginning of this report that the larger your capital base the more easily you can afford to take on staff with language capabilities. Again it may be useful to know if there is a connection between company size and degree of dependency on agencies.

To illustrate this further dimension of analysis some examples are given below. These examples are given mainly for the purpose of indicating directions in which analysis should be possible in a survey of this kind. In the case of this particular survey, because of its exploratory nature and the consequent difficulties involved in getting data of a high quality it is necessary to treat any second level of analysis such as the one below with considerable caution. Nevertheless for the purpose of further research it may serve as a valid reference point.

## COMPANY SIZE RELATIVE TO PERCENTAGE OF SALES TO NESC

### Table 17

*Size of company of number of employees*

| | | 1 - 20 | 21 - 50 | 51 - 200 | 200+ | Total |
|---|---|---|---|---|---|---|
| *Percentage of sales to NESC* | Less than 10% | 23.29 | 15.75 | 29.45 | 31.51 | 100.00 |
| | 11-20% | 26.83 | 21.95 | 34.15 | 17.07 | 100.00 |
| | 21-30% | 27.59 | 24.14 | 27.59 | 20.69 | 100.00 |
| | 31-40% | 27.27 | 31.82 | 22.73 | 18.18 | 100.00 |
| | 41-50% | 37.50 | 25.00 | 18.75 | 18.75 | 100.00 |
| | 51-60% | 37.50 | 12.50 | 12.50 | 37.50 | 100.00 |
| | 61-70% | 66.67 | 16.67 | .00 | 16.67 | 100.00 |
| | 71-80% | 45.45 | 18.18 | 36.36 | .00 | 100.00 |
| | 81-90% | 36.36 | 27.27 | 18.18 | 18.18 | 100.00 |
| | 91-100% | 63.16 | 5.26 | 15.79 | 15.79 | 100.00 |
| | Total | 30.28 | 18.61 | 26.50 | 24.61 | 100.00 |

It can be seen that of the companies exporting up to 10 per cent of their sales to NESC, 23.29 per cent have between 1 to 20 employees, 15.75 per cent have from 20 to 50 employees, 29.45 per cent have from 51 to 200 employees and 31.51 per cent have over 200 employees.

An interesting feature of table 17 is that overall the smaller companies with between 1 to 20 employees appear to be more successful. Thus of the companies exporting up to 100 per cent of their sales 63.16 per cent of them have only 1 to 20 employees. Again in table 18 whereas among the 1-20 employee size companies some 35.52 per cent were exporting only up to 10 per cent of sales, in the 200 plus range of companies nearly 60 per cent were exporting only up to 10 per cent of their sales. However it should be borne in mind (see table 3) that the number of companies exporting high percentages is still absolutely very small since of all the companies in the sample 70 per cent exported less than 15 per cent to NESC. We can therefore draw only the conclusion that within the limitations of the sample there seems a tendency for the smaller companies to be more active exporters.

### Table 18

*Size of company by number of employees*

| | | 1 - 20 | 21 - 50 | 51 - 200 | 200+ | Total |
|---|---|---|---|---|---|---|
| *Percentage of Sales to NESC* | % | | | | | |
| | 0-10 | 35.42 | 38.98 | 51.19 | 58.97 | 46.06 |
| | 11-20 | 11.46 | 15.25 | 16.67 | 8.97 | 12.93 |
| | 21-30 | 8.33 | 11.86 | 9.52 | 7.69 | 9.15 |
| | 31-40 | 6.25 | 11.86 | 5.95 | 5.13 | 6.94 |
| | 41-50 | 6.25 | 6.78 | 3.57 | 3.85 | 5.05 |
| | 51-60 | 6.25 | 3.39 | 2.38 | 7.69 | 5.05 |
| | 61-70 | 4.17 | 1.69 | .00 | 1.28 | 1.89 |
| | 71-80 | 5.21 | 3.39 | 4.76 | .00 | 3.47 |
| | 81-90 | 4.17 | 5.08 | 2.38 | 2.56 | 3.47 |
| | 91-100 | 12.50 | 1.69 | 3.57 | 3.85 | 5.99 |
| | Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

## RELATIONSHIP BETWEEN COMPANY SIZE AND DEPENDENCY ON AGENTS

### Table 19

*Size of company by number of employees*

| | | 1 - 20 | 21 - 50 | 51 - 200 | 200+ | Total |
|---|---|---|---|---|---|---|
| *Degree of Dependency* | Totally | 24.27 | 18.45 | 26.21 | 31.07 | 100.00 |
| | Moderately | 24.77 | 18.35 | 28.44 | 28.44 | |
| | A little | 35.42 | 20.83 | 29.17 | 14.58 | |
| | Not at all | 50.00 | 17.86 | 16.07 | 16.07 | |
| | Total | 30.70 | 18.67 | 25.63 | 25.00 | |

Of all the companies totally dependent on overseas agents, 24.27 per cent employed between 1-20 staff, 18.45 per cent employed 21-50, 26.21 per cent employed from 51-200, 31.07 per cent employed over 200. In contrast, of the companies not at all dependent on overseas agents 50 per cent employed between 1-20 staff and 16.07 per cent employed over 200.

## Table 20

*Size of company by number of employees*

| | | 1 - 20 | 21 - 50 | 51 - 200 | 200+ | Total |
|---|---|---|---|---|---|---|
| *Degree of Dependency* | Totally | 25.77 | 32.20 | 33.33 | 40.51 | 32.59 |
| | Moderately | 27.84 | 33.90 | 38.27 | 39.24 | 34.49 |
| | A little | 17.53 | 16.95 | 17.28 | 8.86 | 15.19 |
| | Not at all | 28.87 | 16.95 | 11.11 | 11.39 | 17.72 |
| | Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

In table 20 it can be seen that of the companies with only 1-20 employees, 25.77 per cent were totally dependent on agents whereas of the companies with over 200 employees 40.51 per cent were totally dependent on agents.

The above results would tend to suggest that the smaller companies are less dependent on agents. This result tends to run counter to expectations, and as noted earlier in the report would merit further investigation particularly if it implies that smaller companies are more dependent on their own linguistic resources.

### COMPANY SIZE RELATIVE TO LOSS OF SALES DUE TO LACK OF LANGUAGE SKILLS IN MARKETING AREA (Question 7).

In table 21 there is a fairly high degree of consistency between large and small companies.

## Table 21

*Size of company by number of employees*

| | 1-20 | 21-50 | 51-200 | 200+ | Total |
|---|---|---|---|---|---|
| Never | 29.19 | 20.50 | 24.22 | 26.09 | 100 |
| Occasionally | 27.27 | 15.70 | 32.23 | 24.79 | 100 |
| Frequently | 35.29 | 17.65 | 23.53 | 23.53 | 100 |
| Continually | 40.00 | 20.00 | .00 | 40.00 | 100 |
| Total | 28.95 | 18.42 | 26.97 | 25.66 | 100 |

From the total sample of companies which replied occasionally to the question of how often lack of LOTE skills had negatively affected their company's marketing activities 27 per cent were companies employing 1-20 staff and 25 per cent employed 200 and over.

## Table 22

*Size of company by number of employees*

| | 1-20 | 21-50 | 51-200 | 200+ | Total |
|---|---|---|---|---|---|
| Never | 53.41 | 58.93 | 47.56 | 53.8 | 52.96 |
| Occasionally | 37.5 | 33.93 | 47.56 | 38.4 | 39.80 |
| Frequently | 6.82 | 5.36 | 4.88 | 5.13 | 5.59 |
| Continually | 2.27 | 1.79 | .00 | 2.56 | 1.64 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

Again in table 22 one can see that the percentage of companies in the 1-20 staff category, which replied **occasionally** to the same question is virtually identical to the percentage of companies in the 200 and over staff category.

## COMPANY SIZE IN RELATION TO THE EXTENT LANGUAGE SKILLS ARE TAKEN INTO ACCOUNT WHEN RECRUITING EMPLOYEES FOR MARKETING POSITIONS (Question 11)

In contrast to the consistency shown between larger and smaller companies in (Question 7) there is considerable and statistically significant divergence in their views in answer to question 11. In question 11 they were asked whether they took LOTES into account when recruiting staff for marketing.

As can be seen from table 23 of the total sample responding occasionally to this question 17 per cent were in the 1 to 20 staff size whereas 40 per cent were in the 200+ staff size.

## Table 23

*Size of company by number of employees*

| | 1-20 | 21-50 | 51-200 | 200+ | Total |
|---|---|---|---|---|---|
| Never | 31.45 | 20.75 | 30.82 | 16.98 | 100.00 |
| Occasionally | 17.35 | 21.43 | 21.43 | 39.80 | 100.00 |
| Usually | 39.13 | 8.70 | 21.74 | 30.43 | 100.00 |
| Always | 41.67 | 8.33 | 37.50 | 12.50 | 100.00 |
| Total | 28.29 | 19.08 | 27.63 | 25.00 | 100.00 |

Again we find that (Table 24) of all the firms in the 1-20 staff size only 20 per cent occasionally took LOTES into account when recruiting for marketing and 58 per cent never took them into account, whereas of the firms in the 200+ staff category 51 per cent occasionally took LOTES into account and only 35 per cent never took them into account.

Table 24

*Size of company by number of employees*

| | 1-20 | 21-50 | 51-200 | 200+ | Total |
|---|---|---|---|---|---|
| Never | 58.14 | 56.90 | 58.33 | 35.5 | 52.30 |
| Occasionally | 19.77 | 36.21 | 25.00 | 51.32 | 32.24 |
| Usually | 10.47 | 3.45 | 5.95 | 9.21 | 7.57 |
| Always | 11.63 | 3.45 | 10.71 | 3.95 | 7.89 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

## THE SIGNIFICANCE OF LACK OF STAFF WITH KNOWLEDGE OF RELEVANT LANGUAGE (Question 15)

Despite the bias towards LOTES in recruitment policies by the larger companies as shown in tables 23 and 24, when it comes to company perspectives on the issue of whether lack of LOTES is an obstacle to exporting, larger and smaller companies show similar responses (Table 25).

## COMPANY SIZE RELATIVE TO IMPORTANCE OF LACK OF STAFF WITH LOTES

Table 25

*Size of company by number of employees*

| | | 1-20 | 21-50 | 51-200 | 200+ | Total |
|---|---|---|---|---|---|---|
| *Degree of Importance* | Not important | 66.36 | 63.75 | 73.33 | 63.10 | 67.02 |
| | Important | 28.97 | 26.25 | 24.76 | 29.76 | 27.39 |
| | Very important | 4.67 | 10.00 | 1.90 | 7.14 | 5.59 |
| | Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

What conclusions can be drawn from the data that has been discussed?

We have noted the overall low level of exports. With reference to the manufacturing sector it is worth quoting the recent survey for the AMC.[14]

> *"Australia is very deficient in strong exporting manufacturing firms of its own, except in the resource processing sector. Export is very much concentrated in the hands of a few firms: the top 50 exporting firms in Australia account for 81% of all exports, a higher percentage than any other country studied. Moreover, half of these firms are foreign-owned, which is also a higher proportion than for any other countries."*

In terms of the model that will be discussed in Chapter 2 one would suspect that most of the firms in our survey are at stages 2 — 'Partially Interested Firm', 3 — 'Exploring Firm' or 4 — 'Experimental Exporter'. To use the AMC survey's terminology there are few strategic exporters. Strategic exporting firms view exports as "**Central to their business**" over the long term, not as a peripheral activity that may be undertaken one year and not the next.[15] Some of the larger firms may be slightly further along the path to becoming experienced exporters than some of the smaller ones. This difference is however marginal in terms of their perspective on language skills.

The general disinterest in problems of culture and language manifested in the survey results as a whole is confirmed elsewhere. As the AMC notes: [16]

> *"the renowned inability of Australian businessmen to master Asian systems of influence is a further impediment to exploiting export opportunities. Our interviews with Asian and Australian businessmen revealed a strong and widespread perception of this deficiency on the part of Australian organisations .... If we are to be successful in Asia, it is important that Australians get involved over the long term and are well connected to the social networks in these countries. It is also critical that Australian businessmen understand how decisions get made and where the real points of influence on purchasing are."*

The overall pattern of responses to our survey suggest that language skills will remain a low priority for some time to come, and without those skills so also will essential cultural knowledge.

Whitehill[17] refers to The Business Council for International Understanding's estimates that show managers who go abroad without cross-cultural preparation have a failure rate ranging from 33 per cent to 66 per cent. This contrasts with a rate of less than 2 per cent for those with such training.

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# PART II

# Chapter 1

## DIRECTIONS OF THE AUSTRALIAN ECONOMY

Australia's trade and current account deficits have focused attention on our relatively poor export performance. Australia has a first world standard of living and a high propensity to import the manufactured goods required by a developed economy but our productive capacity and export structure and composition is more representative of a developing economy. The gap between what we consume as a nation and what we produce as a nation is being increasingly met by imports.

A number of studies and reports have recently addressed our economic and export problems. The Garnaut report[1] on "Australia and the North East Asian Ascendancy"; The Hughes report on "Australian Exports"[2]; The Australian Manufacturing Council's "The Global Challenge: Australian Manufacturing in the 1990's"[3] are representative of the widespread official and public interest in finding long term solutions to our economic problems.

All the reports emphasise or implicitly recognize the need for Australia to develop an "export culture" or a "new manufacturing culture" if we are to succeed in overcoming our balance of payments problems. However most are decidedly vague about how this "export culture" is to be achieved. This in large part reflects the multifaceted and multidimensional nature of the problem. Economic problems can relatively easily be identified and defined but analysis of the necessary and sufficient conditions for "success" is a more elusive, moving target.

### 1.1 AUSTRALIA'S INTERNATIONAL ECONOMIC ENVIRONMENT: POST-WAR TRENDS

The enduring feature of the world economy since the end of the second world war has been the rapid expansion of growth and trade, averaging 6 per cent per annum in real terms from 1960 to 1987[4] (Hughes 1989). The establishment of the International Monetary Fund, The World Bank and the General Agreement on Tariffs and Trade (GATT) at the Bretton Woods conference provided the institutional structures which permitted the multi-lateral trading system to expand and world trade to flourish.

Trade growth was fastest in manufactures, the area where GATT was most successful in reducing tariff and quota barriers, while trade in agricultural and mineral commodities was relatively slow. Nevertheless in spite of opportunities which a growing world economy gave to Australia, industry policy emphasised import substitution rather than export promotion as the basis for sustained industrial growth. As a result industry looked to a limited domestic market as the rationale for its existence rather than exploiting opportunities overseas and we remained highly protectionist while our share of world trade declined. See Table.1.

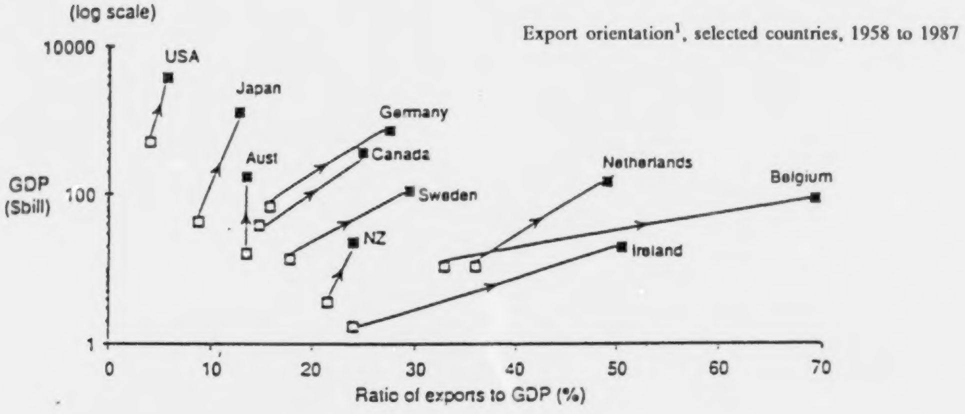
## Table 1
## Share of World Trade, Selected Countries, 1960 and 1987[5]
## (percent)

| | Share of World Exports | | Share of World Imports | |
|---|---|---|---|---|
| | 1960 | 1987 | 1960 | 1987 |
| Australia | 1.7 | 1.1 | 2.1 | 1.2 |
| Canada | 4.8 | 4.2 | 4.8 | 3.8 |
| France | 5.7 | 6.3 | 5.0 | 6.6 |
| Germany, Federal Republic of | 9.5 | 12.1 | 8.1 | 9.5 |
| Hong Kong | 0.6 | 2.1 | 0.8 | 2.0 |
| Italy | 3.0 | 4.9 | 3.8 | 5.2 |
| Japan | 3.4 | 9.6 | 3.6 | 6.3 |
| Korea Republic of | — | 2.0 | 0.3 | 1.7 |
| Singapore | 0.9 | 1.2 | 1.1 | 1.4 |
| Taiwan | 0.1 | 2.2 | 0.2 | 1.4 |
| United Kingdom | 8.8 | 5.6 | 10.4 | 6.4 |
| United States | 17.2 | 10.6 | 13.0 | 17.6 |
| Total (US$ billion) | 120.1 | 2358.2 | 125.9 | 2410.3 |

Australia accounts for only 1 per cent of World trade and has a very limited penetration of overseas markets. Thus, "in 1988 Australia was supplying only 3.5 per cent of the $33 billion S. Korea import market, 3 per cent of the $43 billion Chinese import market, 1.4 per cent of the $35.4 billion Hong Kong import market and 5 per cent of the Japanese $128 billion market".[6]

Australia's economic performance has been limited by its failure to export. Its ratio of merchandise exports to G.D.P. at 13.5 per cent is below that of comparable industrial countries and according to the Hughes Committee Report should be closer to 19 per cent.[7] From 1958 to 1987 Australia's ratio of merchandise exports to GDP remained static at about 13.5 per cent.[8]

Figure 1


Export orientation[1], selected countries, 1958 to 1987

[1] Excludes exports among member countries of the EC.
Source: Centre for International Economics, 'What's wrong with Australia's export performance?', Canberra, 1989.

The composition of Australia's exports reflects reliance on agricultural and mineral products rather than manufactures and services.

Australia has been described as having "the commodity based export profit of a third world country but the manufacturing based import appetite of an advanced economy".[9]

### Table 2[10]
### Composition of Exports by Sector
### 1967-68 to 1987-88

| | Agricultural products (including processed) (%) | Mineral products (Including processed) (%) | Highly processed manufacturers (%) | Services (%) | Total exports[(a)] ($m) |
|---|---|---|---|---|---|
| 1967-68 | 54 | 11 | 18 | 17 | 3,564 |
| 1972-73 | 49 | 18 | 20 | 13 | 6,971 |
| 1977-78 | 39 | 30 | 17 | 14 | 13,528 |
| 1982-83 | 33 | 34 | 18 | 15 | 23,370 |
| 1987-88 | 34 | 27 | 21 | 18 | 43,686 |

(a) Excludes Division 9 of the Australian Export Commodity Classification except for 1967-68 and 1972-73.

Australia's exports suffer from being heavily dependent on primary products even though, among a limited number of firms Australian industry has shown a capacity to grow in areas of technological innovation and management.

Our reliance on mining and agricultural sectors of the economy to generate export income is reflected in the foreign trade figures. In 1988/89 Australia recorded an overseas current account deficit of $17.4 billion but whereas we had surpluses of $8.4 billion in mining and $7.3 billion in agriculture, we recorded trade deficits of $19.9 billion in manufactures and $2.6 billion in services.

Though Australia's external trade has accelerated since the late 1970's, except for two years following the depreciation of the Australian dollar in 1985 and 1986, imports have consistently exceeded exports. The consequent growing trade deficits in 1989, despite high commodity prices, culminating in a large trade deficit of nearly $1 billion in May 1989 have brought balance of payments issues to "the forefront of the political debate"[11] (Hughes 1989).

Furthermore the trend is worsening as indicated by the fact that merchandise exports grew by $2.4 billion or 5.9 per cent in 1988/89 while imports grew by $6.6 billion or 16.4 per cent. Moody's, the international credit rating agency commented: *Unless we generate additional export-earning capacity and restructure industry to achieve productivity gains, Australia will be ill positioned to weather the next downturn in the global business cycle.*

Central to the lack of export growth has been the failure to develop an export culture. It is this need to establish an "export culture" and the ways in which this might be achieved within an educational frame of reference and with particular attention to the role of foreign languages which provides the main substance of this report.

It is in the nature of the industrial process that industry requires ever more complex and energy intensive inputs from an ever widening geographical area. International trade became quantitatively significant after 1800 when severely diminishing returns to agricultural systems set in in Europe and the population became less able to feed itself. International trade, i.e. taking energy inputs from areas of the World where diminishing returns to primary production systems are less severe and transferring them to the developed World is an ever increasing process, bringing more and more countries to its orbit. Only a shift in the World order such as a major ecological collapse is likely to change this continuing pattern of World trade growth.

Australia is then, facing a global economy in which the international division of labour is more complex than at any point in history and industrial education patterns must reflect this trend.

Australia's participation in the international division of labour has been on three levels, as a primary commodity producer, as a secondary producer, i.e. manufacturing and as a tertiary producer, i.e. services. Though most countries have all three elements, it is the proportions between them that mark a country as developed or developing. Australia has been described as in many respects a developing country because of its reliance on and comparative advantage in primary commodity production. While trade theory points up the theoretical advantages to countries of specialising in the productive areas to which they are best suited it omits to mention the terms of trade advantages, technological knowledge and higher living standards that may accrue to a country which chooses to raise the educational and skill level of its population by moving into areas of say, manufacturing , where it has fewer "natural" advantages. Should Australia choose to pursue this path it must acquire all the skills relating to the international division of labour as they pertain to developed manufacturing and service economies. Two important indices of advanced manufacturing economies are attitudes to investment in human resources and a related willingness to train the workforce in the major world trading languages.

Part of the trading problem for Australia has been to see industrial investment as something that refers to buildings, plant, equipment and raw materials. Training employees has been generally regarded by the private sector as a cost not an investment. Countries in which the industrial complex has seen employee training as an investment (see table 3) have gained a distinct edge in terms of competitiveness.

**Table 3**
**Private Expenditure on Education and Training**[11]

| Country | Expenditure as a Percentage of G.D.P. |
|---|---|
| Australia | 1.2 |
| U.S.A. | 1.5 |
| Japan | 1.9 |
| West Germany | 2.1 |

The failure in Australia and other English speaking countries to recognise that the most important investment is in trained manpower has been compounded by a failure to recognise that one of the most important traded commodities is information.

## 1.2 TRADE INVESTMENT AND LANGUAGE

A theme that has received considerable prominence in recent years is the shift in the patterns of Australia's trade to different regions of the world. This in turn has generated considerable anxiety regarding the linguistic capacities of Australians to trade effectively with Japan, China and S.E. Asian countries, and has led to particular concern in educational circles about training in Asian languages.

Our perspective in this report is that the increased input into language training and the reform of language training services in the public sector should address itself to both European and Asian languages.

### 1.2.1 Penetrating World Markets: The Direction of Trade

Australia's trade relations and negotiations are primarily conducted in English, while the direction of trade over the last 25 years has shifted from our traditional markets in the United Kingdom to Japan and east Asia. See Table 4.

**Table 4**
**Directions of Merchandise Exports[13]**

| Country/region | 1962-63 | 1967-68 | 1987-88 |
|---|---|---|---|
| United States | 12 | 13 | 11 |
| EC | 35 | 26 | 15 |
| (United Kingdom) | (19) | (14) | (4) |
| Asia | 26 | 35 | 49 |
| (Japan) | (16) | (21) | (26) |
| Other countries | 27 | 26 | 25 |
| Total merchandise exports ($ million) | 2,152 | 3,045 | 40,946 |

31% of our exports go to and over 40% of our imports come from countries where English is the principal language of international trade.

Japan takes 26% of our exports and provides 19.3% of our imports while Chinese speaking countries (Mandarin and Cantonese) provide 11.2% and 8.5% respectively.

**Table 5**
**Australia's Major Trading Languages[14]**
**(1987-88)**

| Principal Language of Country | % Exports to | % Imports from |
|---|---|---|
| 1. English | 31.0 | 40.3 |
| 2. Japanese | 26.0 | 19.3 |
| 3. Chinese | 11.2 | 8.5 |
| 4. Korean | 4.4 | 2.5 |
| 5. German | 3.4 | 8.5 |
| 6. French | 3.7 | 3.0 |
| 7. Arabic | 3.8 | 2.1 |
| 8. Indonesian/Ma | 3.1 | 3.0 |
| 9. Italian | 2.7 | 3.3 |
| 10. Dutch | 1.5 | 1.5 |
| 11. Russian | 1.5 | 0.05 |
| 12. Spanish | 1.2 | 0.9 |
| 13. Thai | 0.8 | 0.8 |
| 14. Swedish | 0.3 | 1.9 |
| 15. Portuguese | 0.4 | 0.85 |

Countries were grouped according to principal trading language as follows:

**English**: Singapore, Ireland, U.K., American Samoa, Bahamas Bangladesh, Barbados, Botswana, Canada, Cook Is., Fiji, Ghana, Guam, India, Israel, Jamaica, Kenya, Kiribati, Malta, Namibia, Nauru, New Zealand, Nigeria, Norfolk Is., Pakistan, Papua New Guinea Philippines, South Africa, Sri Lanka, Tanzania, Tonga, Trinidad and Tobago, Tuvalu, U.S.A., Vanuatu, Western Samoa, Zimbabwe.

**Japanese**: Japan

**Chinese (Mandarin and Cantonese)**: P.R. China, Taiwan, Hong Kong.

**Korean**: Korea R. of.

**German**: Germany F.R, Austria, Switzerland, German. D.R.

**French**: France, Belgium/Luxemburg, New Caledonia, French Polynesia.

**Arabic**: Algeria, Morocco, Egypt, Saudi Arabia, U.A.E., Bahrain, Kuwait, Iran, Iraq, Jordan, Lebanon, Syria.

**Indonesian/Malay**: Brunei, Indonesia, Malaysia.

**Italian**: Italy

**Dutch**: The Netherlands.

**Russian**: USSR.

**Spanish**: Spain, Argentina, Chile, Columbia, Costa Rica, Cuba, Ecuador, Mexico, Nicaragua, Peru, Uraguay, Venezuela.

**Thai**: Thailand.

**Swedish**: Sweden.

**Portuguese**: Portugal, Brazil.

It is interesting to note that with the albeit important exception of Japan and other Asian countries, our export penetration of Europe and other non-English speaking countries has either remained static or actually declined since 1962-63. This failure to expand our export base significantly in non-English speaking countries outside Asia is reflected in the small percentage shares such major world languages as German, French, Arabic and Spanish have in terms of significance for Australia's trade relations.

At this point we should ask: "Is Australia's failure to penetrate these markets due to our failure or incapacity to adequately communicate with our trading partners?"

A further question is "why is West Germany more than twice as successful in exporting to us as we are to them?" and "why does Sweden export more than 6 times (in value terms) to Australia than Australia to Sweden?"

An analysis of the trade imbalances between Australia and Sweden and Australia and West Germany reinforces the view of the Australian Manufacturing Council that it is Australia's failure to successfully produce and export manufactured goods which is at the heart of the trade problem.

In the important trade categories of chemicals, manufactures, machinery and transport equipment — where value added is higher — Australia's 1987-88 trade deficit with Sweden was $655m and a massive $2,181m for West Germany (ABS Foreign Trade Statistics).

Further work needs to be done on why Australian firms have either failed to penetrate or simply avoided exporting to non-English speaking markets. However it would appear that the difficulties of communication and the lack of familiarity with the foreign culture are important reasons why firms fail to pursue closer trading relations.

Comparing size may also be relevant to this failure on the part of Australian firms to penetrate non-English speaking markets. The vast majority of Australian exporters are small firms even by Australian standards. The Australian Manufacturing Council study[15] found that of 2,677 exporting firms in "complex factor" manufacturing industries, 89% had a turnover of less than $50 million while only 12% exported more than 25% of their total sales.

To put the size of Australian exporting companies further in perspective, the AMC report commented that the list of Australia's 500 largest exporters contains 200 in manufacturing not based on mining or agriculture and of these, only a dozen have exports of more than $60 million.[16] (AMC 1989).

Instead of exporting to the world, we have let the world come to us. The Garnaut report emphasises the high complementarity between resource rich Australia and resource poor industrial northeast Asia. Our very success in rapidly expanding our exports to northeast Asia between 1965 and 1987, although not developed by Garnaut, may lie in the fact that Japan targeted Australia as a supplier rather than Australia looking to Japan as a market.

The reason why we were sought out so eagerly as a trade partner by Japan and later by other northeast Asian countries was because of the fact that the commodity composition of Australia's exports matched Japan's import needs much more closely than any other trading partner (Garnaut 1989)[17]. (Note: As a digression it may be of interest to note that the Aust/Japan coal trade was initiated by the (then) U.S. company Utah).

### 1.2.2 Occidental or Oriental

As we have stressed earlier **all** economic activity has become linked to an international network. It is not so much that Japan, China and S.E. Asia are geographically closer that is of central importance in diverting our attention to their languages. More relevant is the fact that all economic activity has become internationalised and this includes investment as well as trading. Thus while Japan in 1988 took 11.4 per cent of Australia's exports against the E.E.C.'s 6.1 per cent, Australian investment in the E.E.C. was 21.7 per cent of Australia's overseas investment against that in Japan of 4.4 per cent. Again E.E.C. investment in Australia was 32.7 per cent of total overseas investment in Australia, compared with 13.9 per cent for Japan.[18]

It is often taken for granted that Australia's trade commitment is now toward Asia rather than Europe or the USA. The AMC report[19] gives reason to think that this orientation may be exaggerated. They point out that direct investment in a country is a measure of commitment to doing business in that country, and observe that *"of total Australian direct investment abroad, nearly $20 bn. has gone to the US, $12 bn to the UK and only $3 bn to Japan and $1 bn. to other Asian countries."* They suggest that Australia prefers to invest in English-speaking countries with similar social systems to Australia.

The document "Europe 1992, Australian Responses"[20] published by the Australian Department of Foreign Affairs and Trade indicates considerable scope for growth by Australian companies located in Europe particularly in the services and distribution areas. This conclusion was based on a survey of 100 Australian companies located in the U.K. but expecting to benefit from the creation of a single market by 1992. Over one third of the companies responding are also located in other E.E.C. countries with France and the F.R.G. the most common locations. In the context of this survey we felt it of value to quote the following remark.

*"There are strong expectations for expanded European activity by Australian companies*
*— 74 per cent of respondents said they would expand in the U.K.*
*— over half are interested in expanding into other E.C. sites.*
*— France, F.R.G. and Spain are the preferred continental targets.*

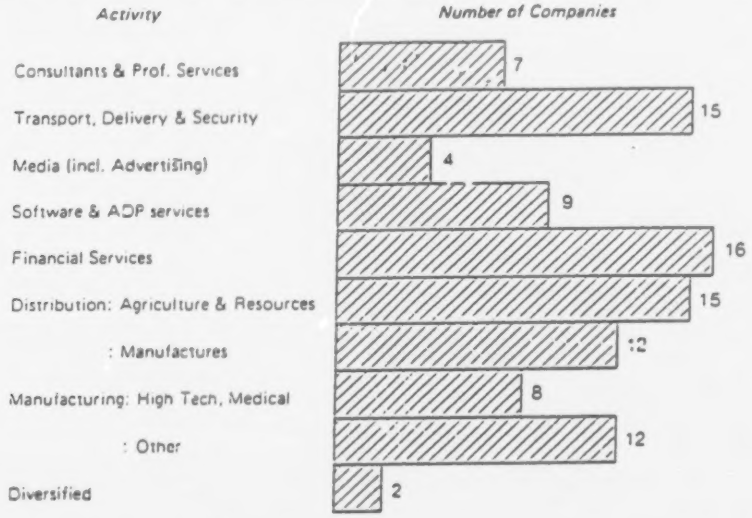
*This expansion would most likely be accomplished by growth of existing operations, although around 20% of companies would also favourably consider merger and acquisition activity or joint ventures.*

*The most valued assets of a European joint venture were given as*
*— cultural/local knowledge (67 per cent)*
*— market intelligence (66 per cent)*
*— familiarity with language (64 per cent)"*

The above quotation is significant in a number of ways in indicating how important it is to see internationalization and the resultant demand for languages as a fluid, constantly changing world-wide process not just focussed on Asia.

Firstly it illustrates the increasing importance of mergers and acquisition activity not only at the large multinational level but between smaller companies. (63 per cent of the companies responding to the survey quoted above had turnover below £5 million). This could mean increasing demands for European language speaking Australians to locate in Europe. Secondly it indicates possibilities for Australian exporting activity to become less associated with primary commodities. Thus if one examines the sample of 100 companies on the basis of company activity by industry type (Figure 2 below) one can see how a bridgehead into Europe via the U.K. will give scope for further expansion of non-primary commodity activities.

**Figure 2[21]**
**Company Activity by Industry Type**



Thirdly it indicates the high priority Australian companies in the U.K. attach to cultural knowledge, market intelligence and familiarity with language. Fourthly, it emphasises the significance of Spanish as a World trading language since it is important not only in Europe but also in S. America.

### 1.2.3 Initiatives to Improve Our Export Performance

Government initiatives to date have concentrated on macro and micro-economic reform.

Macro-economic policy initiatives have included the de-regulation of the financial system and the floating of the dollar; taxation reform; wage restraint through the Accord with trade unions; fiscal conservatism and the encouragement of a high level of future savings through superannuation changes.

Micro-economic reform has concentrated on tariff reductions; the deregulation of transport systems; labour market flexibility, retraining and skills formation; and structural changes and increased competitiveness through industry policies.

It is not the purpose of this report to pursue these matters other than to express our view these reforms are necessary but not sufficient if we are to succeed at exporting and become truly internationally competitive.

If Australian firms are to become more competitive internationally, there must be widespread community recognition of the importance of the need to develop an "export culture" and of Australia's position in the international economy.

## 1.3 TRADING BLOCS AND THE POSITION OF AUSTRALIA

Australia has responded to the growing threat of bi-lateralism and "managed trade" or thinly disguised protectionism, with a two-pronged approach.

Firstly, through the GATT and the current Uruguay round of negotiations, Australia has taken a leading role in promoting the trading interests of the world's agricultural nations by arguing for reduced trade barriers for agricultural products.

Secondly, it is promoting the concept of a new and closer Asia-Pacific trading relationship the outcome of which is as yet unclear.

Australia's concerns are that small relatively insignificant countries such as Australia which have relied on the open multilateral post-war trading system, will be squeezed out of major world markets if the interests of the large trading blocs dominate discussions and agreements.

The formation in 1992 of a single European market and the sweeping away of a multitude of trade barriers and regulations has the potential to create a vibrant and fast growing economy which will be a stimulant to world trade.

Alternatively, if a "Fortress Europe" emerges, Australia and other small trading nations may find themselves partially excluded from this bloc because of the continuation of protective measures particularly in agriculture.

In the U.S.A., which has recently established a free trade region with Canada, concern over its trade deficit with Japan, Korea and Taiwan has led to calls for increased protectionism and retaliatory action.

Bi-laterally "managed trade", "voluntary export restraint", "orderly marketing arrangements" and the threat of legislative penalties such as "Super 301" have dominated the debate on how to correct the U.S. trade deficit. This current preference for the U.S. to seek trade redress through specific agreements with its trading partners is likely to adversely affect Australia. The "managed trade" arrangements which have emerged already include:

- bi-lateral agreements covering specific products e.g. semi-conductors.
- multi-lateral agreements e.g. the multi-fibre agreement.
- attempts to correct trade imbalances between two countries by reducing barriers and allowing preferential access.
- agreements covering sectoral trade such as steel and automobiles between the U.S.A. and Japan.

The growth of "managed trade" and the movement towards increased protectionism and retaliatory trade action in the U.S. gave impetus and urgency to action by Australia to protect its own interests through the development of a clearer understanding and closer working relationship with our Asian and Pacific trading partners.

Arguments in favour of closer regional economic cooperation include:

- The encouragement of free trade.
- Market enlargement.
- Increased competition.
- Encouragement of structural change.
- Improved knowledge and greater understanding of our trading partners.
- identification of common interests.
- encouragement of technology and skills transfer.
- increased direct investment.
- economies of scale.
- the encouragement of common approaches to world issues.

Australia views Asia-Pacific economic cooperation as providing a necessary framework within which our trading interests are considered and protected. Any discrimination against Japan and Asia by the major U.S. and European trading blocs will adversely affect Australia by slowing the growth of world trade.

The emergence of an Asia-Pacific regional economic grouping which pursues free trade principles is being seen by many as a welcome and necessary countervailing influence to the North Amercian and European trading blocs and growing protectionist measures in the U.S.

## 1.4 INTERNAL FACTORS

A major focal point of this report will be language training in the context of Australia's educational system as a whole and the way in which it meets the needs of industry and business. However it would be shortsighted to focus simply on training and education without looking at the business ethos into which they feed. It may be the case that a change in training and education processes is only part of a solution.

### 1.4.1 The Australian Malaise

One of the purposes of this report has been to build on, complement and relate the findings of other commentaries on Australian industry to the particular set of language problems associated with the language/trade dichotomy.

In their 1988 Report on Manufacturing Industry Revitalisation (RMIR), the Senate Standing Committee devoted a substantial part of their Report to an examination of attitudes within the manufacturing sector. We believe that attitudes go a considerable distance in explaining the failure of Australia as an exporter, not simply because of their deleterious effects on the industrial sector per se but because of their carry over effects on Australian managements' attitudes to exporting and training for exporting.

*"Prof. F. Gruen has argued that:*[22]

*Non-economic factors probably loom large in adequate overall explanations for differential economic growth rates and for economic performance generally. For instance, the fact that all three Anglo-Saxon O.E.C.D. countries performed poorly could indicate that some important peculiarly Anglo-Saxon institutions are inimical to economic growth".*

The significant attitudes listed in the RMIR from the point of view of export performance and language learning were:

- insularity, reflected in the low level of exports;
- complacency about the level of industrial sophistication and the quality of Australian products;
- indifference to economic realities, especially to the link between wealth generation and living standards;
- apathy about the need to work more efficiently;
- media bias in portraying a poor image of manufacturing;
- lack of confidence in government ability to provide incentives and assistance through consistent policies;
- lack of confidence in Australian's abilities to design and produce world-class products;
- lack of confidence of consumers in Australian produced goods;
- dependence on protection, which has inhibited market-oriented design and production;
- hesitancy about technology, stemming largely from managerial indifference; and
- resistance to changing long-held practices and attitudes.[23]

Perhaps the most relevant of the above for our purposes is Insularity, in referring to which Mr W Thomas, a senior executive of Nucleus Ltd. observed that to succeed a firm must choose either:[24]

*"... a business attitude or an international attitude. Many Australian companies think of the U.S.A. or overseas countries as places where they can dump their marginal business ... When they may not have sold all of their product in Australia ... It is important to treat oneself as an international business, to look at international markets with Australia being one of them... In our business, unless you are international, you do not succeed".*

We have expended some space on the discussion of attitudes because we regard them as the components which make or unmake what the Hughes Committee Report refers to as the "export culture".

The Hughes Committee Report is notable for the link that it makes in passing, between the export culture and the education to sustain it.[25]

*"Education for managers is limited in Australia, and particularly limited in relation to export promotion. Few Australian managers have specialised training in exports. Few courses are available, particularly at a high level. Foreign language training*

*capacity for export managers is lacking. Immigrants provide most of the linguists for Australian exports, mainly fortuitously."*

## 1.5 THE EDUCATIONAL FRAMEWORK

Our overall brief to look at foreign language training and its relationship to business requires also a review of Australia's education system in general and how it equips the workforce.

In its 1987/8 Economic Survey of Australia the O.E.C.D. noted:[26]

*"Public spending on education does not appear to be out of line with some major O.E.C.D. countries but private spending appears to be lower. Increased spending on training is likely to be necessary, with more emphasis on upgrading or broadening of skills throughout working life, possibly requiring a return to formal education for limited periods. Studies suggest that inadequate levels of initial schooling limit the individual's capacity to retrain. Technological and structural change therefore requires strong links between formal schooling and the work place and an education system which provides solid cognitive skills to the young and responds rapidly to changes in skill needs in the economy.*

*Formal education and training in Australia is heavily weighted towards initial entry into the labour force and relatively little at later stages in life".*

This is borne out by the RMIR which notes:[27]

*"Although it is rising, 'Australia's high school retention rate is very low compared to our industrial competitors — 51 per cent, compared to Japan's 94 per cent, America's 86 per cent and Sweden's 84 per cent. Only 7 per cent of the Australian workforce has tertiary qualifications, and only 26 per cent have a trade or technical certificate'. The proportion of the labour force with higher education degree or diploma qualifications must be increased substantially to achieve the educated workforce that is essential for Australia's future economic growth".*

Despite the fact that public spending on education is in line with some major O.E.C.D. countries, the 1987/88 Survey confirms the finding of the previous O.E.C.D. Survey that the level of educational attainment is not high by international standards.

In this report we would endorse the opinion of the 1987 Green Paper on Higher Education that:[28]

*"for Australia to achieve a graduate level more in keeping with that of the leading O.E.C.D. countries will require increased participation in higher education by young people; an improvement in graduation rates; and greater access of adult students to higher education".*

The 1987/88 OECD Survey attributes the weakness in private sector educational spending partly to less emphasis on in-house training and education by firms. Pertinently, the Survey does not regard solutions as simply a question of more funding.[29]

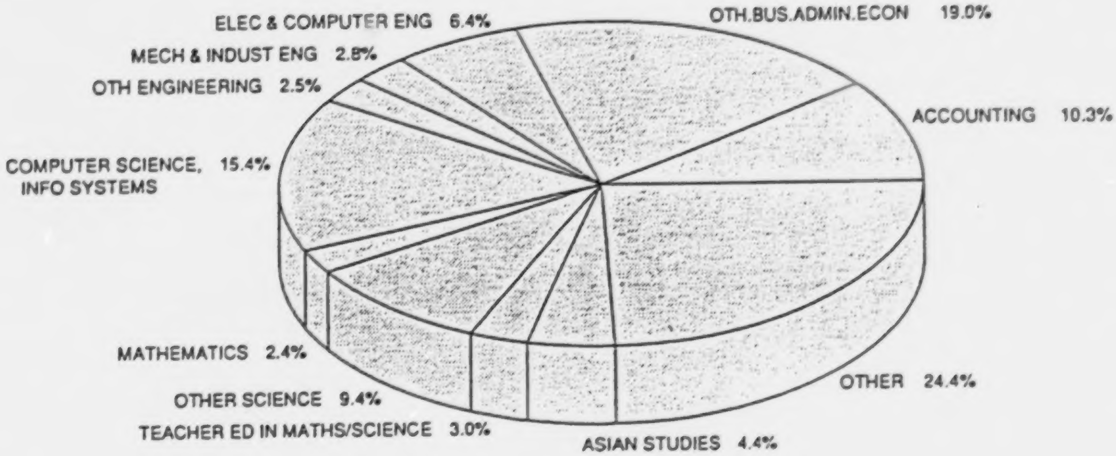
*"The education system may also have to adapt in order to make the best use of existing resources. Doubts have been expressed regarding the relevance of upper secondary school courses for individuals not intending to proceed to University or CAES. While progress has been made in curriculum reform, greater relevance to students' future requirements may be necessary if the Commonwealth*

*Government's target of a 65% retention rate in upper secondary school is to be achieved in a productive way. Better co-ordination between the various parts of the post-secondary education system may be required, with more attention paid to allowing transfers between institutions and closer links with the private sector. Further, the universities do not appear to have adjusted rapidly enough to meet the student demands and skill needs. Although this partly reflects the difficulties in shifting staff between disciplines and the greater rigidity inherent in periods of slower growth, a shift of resources towards engineering, more technologically-oriented disciplines and commerce, with higher-quality and more relevant courses, has been called for".*

Despite the O.E.C.D. report it would be misleading to underestimate the significance of some of the shifts in the patterns of education over the last decade.

*"The pattern of student commencements in higher education by field of study has seen a shift from education towards business and health over recent years. The additional 6,300 places in 1989 have been directed to areas of economic importance, notably business, engineering, computers, mathematics, the sciences and* ***Asian Studies****"*. (Figure 3).[30]

**Figure 3**
**Higher Education Funded Intake Increases by Areas of Study, 1989**



*Excluding Aboriginal Participation initiative

Source: DEET

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# Chapter 2

## MANAGING NEW MARKETS

This chapter reviews the range of situations in which language competence affects trade performance and illustrates how lack of language competence can damage or hinder trade.

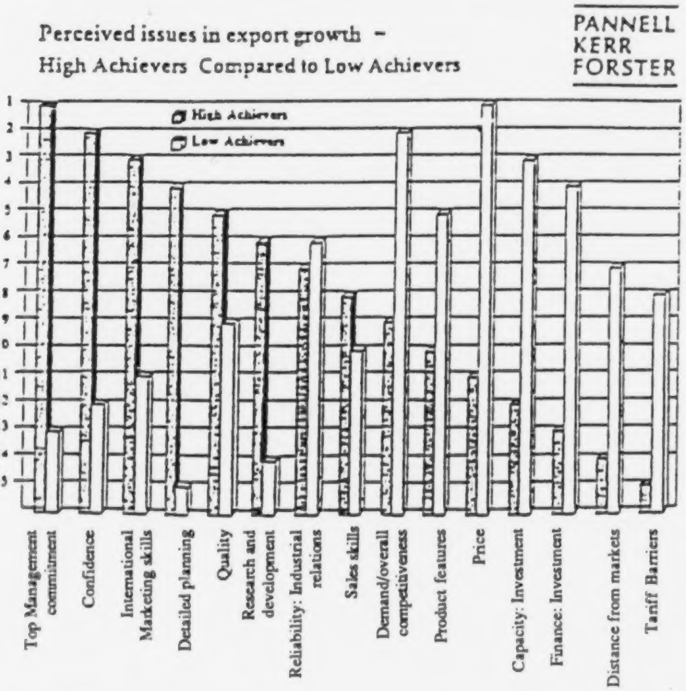
### 2.1 A MANAGEMENT CULTURE FOR EXPORTS: PROBLEMS TO OVERCOME AND THE ELEMENTS OF SUCCESS

A new approach and commitment to exporting is required on the part of Australian companies if Australia is to overcome its trade problems. However most of the solutions that have been proposed have tended to be of the technical kind such as the implementation of total quality management, multiskilling, fewer unions and more flexible production techniques.

To be successful at exporting, management needs to understand the dimensions of the challenge and according to a recent Australian Institute of Management study (AIM "Australia and the world, The Management Challenge"), the challenge is primarily cultural and attitudinal.[1]

Australia's high export achievers according to the study, are careful to plan, are fully committed to export, and are confident of success. The low achievers are more concerned about the technical aspects of price, competition and their own capacity to produce. (Figure 1).

**Figure 1**
**Perceived Issues in Export Growth**



If Australian firms are to be successful in doing business with the rest of the world, they must communicate with and understand who they are doing business with.

A study into the problems faced in the international markets by U.S. firms lists communication - and by implication language and cultures[2] — as the number one issue most likely to cause difficulty.

### Table 1
### Major International Problem Areas for US Firms

| Rank | Problem Area | Mean |
|---|---|---|
| 1 | Communication | 3.52 |
| 2 | Pricing | 3.35 |
| 3 | Foreign government bureaucracy | 3.13 |
| 4 | Fluctuating exchange rates | 3.13 |
| 5 | U.S. tax laws | 3.09 |
| 6 | Political uncertainty | 2.96 |
| 7 | Inflation | 2.87 |
| 8 | Availability of foreign data | 2.83 |
| 9 | Funds transfer | 2.74 |
| 10 | Insufficient support by U.S. government | 2.70 |
| 11 | International documentation | 2.65 |
| 12 | Recruiting of management personnel | 2.57 |
| 13 | Banking service support | 2.57 |
| 14 | Distribution channels | 2.52 |
| 15 | Different product standards | 2.52 |
| 16 | Unfamiliarity with foreign laws | 2.48 |
| 17 | Availability of skilled workers | 2.44 |
| 18 | Personnel preparation | 2.44 |
| 19 | Public relations | 2.44 |
| 20 | Foreign restrictions on equity participation | 2.39 |
| 21 | Restrictions on dividend remission | 2.39 |
| 22 | Differences in culture | 2.35 |
| 23 | Obtaining funds | 2.35 |
| 24 | Inventory management | 2.30 |
| 25 | Union influence | 2.30 |
| 26 | Capital budgeting | 2.27 |
| 27 | Lack of transportation structure | 2.26 |
| 28 | Differences in rate regulation | 2.26 |
| 29 | Organizational structure | 2.23 |
| 30 | Distribution coordination | 2.17 |
| 31 | Warehousing | 2.00 |
| 32 | Extortion | 1.70 |
| 33 | U.S. import restrictions | 1.39 |

Problems were measured on a five point Likert scale: 5 = very important, 1 = not important.

The process of international trade is highly complex. Many of the economic, legal, social communication, distribution and marketing structures underpinning international trade are so different from those of intra-country trade that parallels between the two are often difficult to sustain. It is inappropriate here to write an extensive account of international trade. Rather we have taken selected features of that process which have entered mainly the management literature in recent years with particular reference to problems of language and intercultural communication. Nevertheless it is important to emphasise that these language and culture problems cannot be extracted out of the trading process as in some way separate problems. That is to say managers in international trade are simultaneously businessmen, linguists and cultural integrators. Furthermore, far from receding in importance as the firm becomes more experienced at exporting, communication and a thorough grasp of the language and culture of your trading partner remains the principal consideration of the successful exporter.

[Footnote: Elements of Culture, Language, Religion, Values and Attitudes, Manners and Customs, Material Culture, Aesthetics Education, Social Institutions]

## 2.2 STAGES IN INTERNATIONALIZATION.

Communication encompasses both an understanding of language and culture and remains a major consideration for firms throughout the various stages of internationalisation. It is the principal problem for firms categorised as an "exploring firm", an "experienced small exporter" or an "experienced large exporter"[3].

**Table 2**
**Main Problem Areas in Each of the International Stages**

| Rank | 2. Partially Interested Firm | 3. Exploring Firm | 4. Experimental Exporter | 5. Experienced Small Exporter | 6. Experienced Large Exporter |
|---|---|---|---|---|---|
| 1. | Financing | Communication | Sales effort | Communication | Communication |
| 2. | Information on business practices | Sales effort | Obtaining financial information | Sales effort | Sales effort |
| 3. | Communication | Marketing information gathering | Physical product | Marketing information gathering | Marketing information gathering |
| 4. | Providing technical advice | Information on business practices | Marketing information gathering | Obtaining financial information | Providing repair service |
| 5. | Sales effort | Obtaining financial information | Information on business | Handling documentation | Information on business practices |

Communication as indicated above is central to international management. In the paragraphs that follow we look in more detail at ways in which communicative competence is important to trade performance. For the moment we suggest that a company's pattern of growth in terms of management, finance and productive capacity, will be accompanied by a parallel growth of its communication capacities, particularly if it is an exporting company.

## 2.3 NEGOTIATING STYLE AND PROCESS

In analysing the elements needed to successfully export to the Japanese, Frankenstein and Hosseini[4] categorised an understanding of Japanese language social practices and culture as essential for success.

## Table 3
## Important Elements in Japanese Business[4]

| Item | Total Score | Group Average |
|---|---|---|
| **1. ESSENTIAL** | | |
| Japanese Language | 227 | 4.54 |
| Japanese Social Practices | 223 | 4.46 |
| Japanese Culture | 218 | 4.36 |
| **2. IMPORTANT** | | |
| Japanese Economy | 215 | 4.30 |
| Japanese Negotiating Style | 212 | 4.24 |
| Organisation & Sociology of Japanese Business | 210 | 4.20 |
| **3. USEFUL** | | |
| Japanese Domestic Management Practice | 202 | 4.04 |
| Japanese Distribution & Marketing Sys | 198 | 3.96 |
| General Cross Cultural Training | 197 | 3.94 |
| Japanese History | 187 | 3.74 |
| Japanese Politics | 186 | 3.72 |
| **4. HELPFUL** | | |
| Culture Shock Briefing | 178 | 3.56 |
| Japanese Accounting & Finance Systems | 175 | 3.50 |
| Japanese Business Legal System | 172 | 3.44 |
| International Economics & Politics | 167 | 3.34 |

The importance of the elements listed by Frankenstein and Hosseini have been emphasized by Kublin[5].

> *"Endless preliminary get-togethers spanning many months may take place before substantive exchanges get under way. During these early meetings, the Japanese will likely ask innumerable questions that appear to have little or no relevance to the business matters at hand.*
>
> *The American businessperson must remember that in Japan, time spent cultivating a relationship is not wasted; it may well yield rich dividends. Indeed developing a personal relationship may well be more important than the terms being negotiated."*

This approach to time, for the Japanese, does not apply simply to external negotiations. It is also a characteristic of companies' internal organisation that considerable periods will be spent arriving at a consensus between different employees or management sections in a company to ensure that when decisions are finally taken they have the full understanding and agreement of all those likely to be involved. It is features of management control such as these plus the wholehearted commitment to the company which have contributed to the success of Japanese enterprises around the World and which have led western companies toward their imitation in numerous aspects of business practice.

With reference to China, Frankenstein[6] has described a spiral model of the negotiating process, based on a survey conducted in Beijing in 1984, as a helpful way of interpreting the China trade picture. He also points out that of the survey group:

> *"While 95 per cent of the managers felt that having Chinese language ability was at least "helpful", 60 per cent felt it "essential". Interestingly enough, persons with the greatest business experience — not necessarily those with the best Chinese language skills — were in the essential 60 per cent."*

## 2.4 THE SIGNIFICANCE OF LANGUAGE IN RELATION TO PRODUCT COMPLEXITY

It is occasionally remarked in the literature that language is of critical importance where the product to be sold is complex. This is fairly obviously true and we exemplify below just how vital language is in the case of computer sales, specifically in relation to usability engineering.

> *"To summarise, the exporter benefits from usability engineering by having a product which is tailored for each country (if needed) and which is easy to use. This ease of use is reflected in greater sales volumes because of quicker user acceptance, repeat orders and reference sales. There will also be lower training costs, fewer costly errors and less time wasted on non-productive tasks. Intelligent products which have not been user engineered may easily become inoperable, resulting in damage to the suppliers reputation and increased post-sales activity. Since this level of support activity is probably unbudgetted, the overall effect could be to reduce the revenue from product sales to an unacceptably low figure."*[7]

The example given points up the level of sophistication required in communicative interaction in order to satisfy both sides to the transaction that all aspects of the product's specifications, capacities and utilisation by the customer have been met.

This sophistication also has implications for translation support services. As the same author notes[8]

> *"The end user is again very much in mind; satisfied customers like to be talked to in their own language, both at the point of sale and when using the product."*

Nevertheless it is important to note that language can be just as vital in the marketing of primary commodities. Thus of Australia's sheep export debacle to Saudi Arabia, many independent sources note problems of communication as being underlying causes.

## 2.5 LANGUAGE CULTURE AND COMPANY IMAGE

Absolutely essential to any company's survival is the image it projects overseas through sales activity, trademarks and advertising. But in many respects professional marketing knowledge relevant to ones own country may be totally irrelevant to another. One suspects that this may also be true for a great deal that is taught on standard business courses in Australia.

Indeed there is little reason to expect that the intellectual background of many of Australia's business teachers should be international in character. How many have trained in non-English speaking countries?

Maddox and Short observe[9]:

> *"Every time an international company begins operations in a new society, it should expect to encounter cultural differences. Because these differences will influence both the decisions made and the success of the operation, integration of business activities and societal dictates is essential. Without it, a company risks making serious business mistakes. A business can never assume that what works in one country will work in another. Nor can it assume that any manager with general international experience has the ability to screen and select appropriate company behaviour. To be successful, the company must be accurately adaptive, able to meet the unique needs of its environment."*

## 2.6 HOW OUR COMPETITORS OPERATE

If we imagine a spectrum of exporting attitudes across different countries, ranging from passive to active, Australia might be ranked thus:

Japan, Korea, Germany, France, U.S,. U.K, Australia
/-----------------------------------------------------------------------------------------------/
Active exporters Passive exporters

Basically, Australia is a passive exporter as we have seen from Chapter 1 where its role as an exporter was shown as one of reacting to external requirements, the most notable of which was fulfilling, in a complementarity role, Japanese demand for primary products.

Campbell described the results of a survey of 115 foreign companies in Beijing over a range of categories — strategy, investment, technology transfer, trading and building local relationships. In terms of our Active to Passive spectrum Campbell's survey highlighted a number of differences between the Japanese approach and that of their competitors.[10] Here we look only at the most communication oriented categories, trading and building local relationships.

> *"Neither the American or European business communities have anything to rival the strength of the Japanese trading companies. With their help, Japanese firms are laying the groundwork for future success. The strength of the Japanese trading companies is reinforced by their approach to doing business. In China, as elsewhere in the world, the Japanese are assiduous in their efforts to understand the customers requirements ... the Japanese executive is given more encouragement to learn Chinese than any other foreign executive. Indeed 87 per cent of Japanese companies agreed that it is important for the chief representative or senior manager to speak Chinese well compared to only 43 per cent for EEC companies."*

## 2.2 THE LINGUISTIC HEGEMONY OF ENGLISH AND THE MAJOR TRADING LANGUAGES

One misunderstanding which was frequently encountered in talking to businessmen and is still prevalent in English speaking countries is the assumption that English is the World trading language. A glance at the table below might tend to reinforce this impression.

## Table 4
## The Top Twenty Languages

| | Mother-tongue Speakers | | Official Language Population |
|---|---|---|---|
| 1. | Chinese (1,000) | 1. | English (1,400) |
| 2. | English (350) | 2. | Chinese (1,000) |
| 3. | Spanish (250) | 3. | Hindi (700) |
| 4. | Hindi (200) | 4. | Spanish (280) |
| 5. | Arabic (150) | 5. | Russian (270) |
| 6. | Bengali (150) | 6. | French (220) |
| 7. | Russian (150) | 7. | Arabic (170) |
| 8. | Portuguese (135) | 8. | Portuguese (160) |
| 9. | Japanese (120) | 9. | Malay (160) |
| 10. | German (100) | 10. | Bengali (150) |
| 11. | French (70) | 11. | Japanese (120) |
| 12. | Panjabi (70) | 12. | German (100) |
| 13. | Javanese (65) | 13. | Urdu (85) |
| 14. | Bihari (65) | 14. | Italian (60) |
| 15. | Italian (60) | 15. | Korean (60) |
| 16. | Korean (60) | 16. | Vietnamese (60) |
| 17. | Telugu (55) | 17. | Persian (55) |
| 18. | Tamil (55) | 18. | Tagalog(50) |
| 19. | Marathi (50) | 19. | Thai (50) |
| 20. | Vietnamese (50) | 20. | Turkish (50) |

**Speaker estimates for the world's top 20 languages** (given in millions).[11] *The first column lists the languages on the basis of the number of mother-tongue (first-language) speakers they have. When conflicting estimates have been given (cf. Appendix III), the higher one has been used here. The second column gives population estimates for those countries where the language has official status. Note that the totals do not always coincide, since some major languages (such as Javanese and Telugu) are not official languages of whole countries, and some languages (such as Malay and Tagalog) are official languages of multilingual countries. The second column figures are often over-estimates, as by no means everyone in the countries where a second language is recognized (e.g. India) will be fluent in it; on the other hand, the figures are of some interest as indicators of the way languages are moving.*

English became an international language because it was a trading language, firstly of the British trading empire of the 19th century and secondly of the U.S. trading empire of the 20th. We might briefly characterize this historical process by saying that every purchase of a manufactured good or a service from the Anglo and later U.S. trading empires was an indirect vote for the spread of English. No national or international policy decision was made to foster the spread of English though many were taken to confirm its hegemony post facto, i.e. the legal and military decisions taken to enforce colonial rule once an economic foothold had been established.

After 1815 the headstart given by the Industrial Revolution to Britain's manfuacturing sector kept Britain as the dominant manufacturer exporter, and 'workshop of the world' until the early 1900's. The spread of English was the outcome of consumers voting with their purses for the products of that revolution. Now, by the same token, following two decades of unprecedented economic growth among the major world economies, language votes are being given to other world languages.

There would seem to be some evidence that countries where English is the mother tongue are actually disadvantaged by the prevalence of English as an international language. Quirk has drawn attention to this in discussing English as the international language of science.[12]

> *"It so happens that in France 56 per cent of scientific publication is in English. But this still leaves 44 per cent that is not and I wonder how many of our scientists bother to read or are capable of reading that 44 per cent. By contrast, it must be evident that in France, every scientist reads not only the 44 per cent that is already in his or her own language but additionally the 56 per cent that is in ours. So the losers are of course ourselves ... If 45 per cent of the World's relevant publication is in English, it follows as the night the day that 55 per cent is not .... In short the result of English being the chief language of science is that virtually every scientist on earth is better informed than the scientist whose native language is English: because we are the people who by and large see no need to learn any other".*

An analogy to Quirk's perspective on English for science can be found in business. A great deal of market intelligence is gathered and exchanged in English but considerably more is not. The non-native English speaking businessman has access to both and must consequently always be a more effective competitor.

The distinction made above between what is accessible in English and what is only accessible in another language has been elaborated in the distinction between languages of market contact and languages of marketing value.

There is a tendency in the Australian business community to assume that because English is so dominant as the "Language of Market Contact" (see Table 5) it can also be regarded "as a reliable medium for obtaining market feedback.[13]

*A language of market contact is a language that:*

1. *is used by an external supplier for communication with a market representative (e.g., agent, distributor, customer, local office, etc.);*
2. *is not necessarily the native tongue of either party;*
3. *may not be widely known in the market itself;*
4. *may not be spoken or understood well by either party;*
5. *serves as the principal firsthand medium of information about the market (i.e., if the external party does not know the language of the market); and*
6. *may be regarded as a limited means of control over market intermediaries".*

The fact that English performs one function so extensively, i.e. that of market contact, leads easily and mistakenly to the assumption that it can perform equally extensively, the functions of a language of marketing value. (Table 5).

## Table 5
## Regional Distributions of the Six Languages of Market Contact Among 194 Sovereign States

| **Region** (No. of countries in parentheses) | **English** | **French** | **Spanish** | **Portuguese** | **German** | **Russian** |
|---|---|---|---|---|---|---|
| Africa (57) | 28 | 24 | 2 | 4 | - | - |
| America (45) | 38 | 6 | 17 | 1 | - | - |
| Asia/ Oceania (58) | 51 | 9 | - | - | 1 | 2 |
| Europe (34) | 26 | 10 | 2 | 1 | 5 | 3 |
| Total (194) | 143 | | | | | |
| America (45) | 38 | 6 | 17 | 1 | - | - |
| Asia/ Oceania (58) | 51 | 9 | - | - | 1 | 2 |
| Europe (34) | 26 | 10 | 2 | 1 | 5 | 3 |
| Total (194) | 143 | 49 | 21 | 6 | 6 | 5 |

*Note: under this classification scheme the countries include both sovereign states and some colonial possessions belonging to Britain, France, and Spain; the USSR is classified under Europe.*

*There are a considerably larger number of "Languages of Marketing Value", Table 6, i.e., "languages which:*

1. *have the status of official languages in countries with a high involvement in international business activity as producers and purchasers of finished goods and/or providers of sophisticated financial and trading services (e.g. shipping, insurance, etc.);*
2. *enjoy official or semi-official status in more than one sovereign state;*
3. *"generate" new scientific and technical information;*
4. *facilitate commercial and technical exchange on an international or supranational basis; and*
5. *have status as the sole or dominant official language.*

## Table 6
## Key Languages of Marketing Value

**(a) Key European languages of marketing value:**

Bulgarian
Czech
Danish
Dutch
English
Finnish
French
Hungarian
German
Greek
Italian
Norwegian
Polish
Portuguese
Russian
Serbo-Croat
Spanish
Swedish

**(b) Key non-European languages of marketing value:**

Arabic
Chinese
Indonesian"
Japanese
Korean

The change in purchasing allegiances is now bringing to the fore new trading blocks, the E.C., Asean, China/Japan, Japan/S. America, Comecon/West Germany. Purchasing activity between these blocs is likely to be pursued in a limited number of major languages, Mandarin, Japanese, German, Russian, Spanish. As major trading blocs, virtually all have emerged in the last twenty years. For all of them English will become relatively less predominant as a trading language.

One way of putting English into its proper perspective as a trading language is to consider the number of speakers of European languages in the light of a European trading bloc embracing not only the E.E.C. but Comecon and Russia.

Van Deth provides the following figures for the languages most widely spoken in Europe.[14]

| | **Millions** |
|---|---|
| Russian | 241 |
| German | 90 |
| English | 59 |
| French | 58 |
| Italian | 56 |
| Ukranian | 37 |
| Turkish | 36 |
| Polish | 33 |
| Spanish | 32 |
| Romanian | 20 |
| Dutch | 19 |
| Slovakian | 15 |
| Portuguese | 9 |

It is unfortunate that even Austrade whilst stressing the importance of speaking the customers' language also perpetuate the myth that "English is the lingua franca of the business sector...(in) France, West Germany and Italy"[15].

The mistaken view of English as the dominant language of market value is part of a highly Anglocentric perspective established through a long period of playing the role of a colony. How it is still played is well illustrated in the following quotation from "The Australian" (2.11.89).[16]

"The problem of the way in which Australian media reporting of Europe is dominated by an Anglocentric view is becoming acute. It is dangerous, too-since what is happening in Europe now will have an enormous influence on the future of the world economic and political system.

The fact is that there is not a single Australian print journalist on the Continent of Europe acting as full time correspondent for an Australian newspaper. From Calais to the Urals, we have to rely on journalists posted in London, very few of whom even read any language other than English (and fewer still who can write that). Of course, apart from a few forays onto the Continent, these rely chiefly on the English newspapers for most of their information.

The result is that most of our coverage of the enormously important events in Europe is written, even by Australian journalists, from the English point of view. And of course quite a lot of the material of foreign affairs run in our newspapers is syndicated from English newspapers and services. The danger of this for Australia is not just that our interests are no longer those of Britian, but more importantly that it distorts our perception of what is happening in Europe"

The Anglocentricity noted above is both dangerous and absurd. Part of the danger is that it reinforces the failure to make the distinction noted earlier between languages of mere market contact and languages of market value. That is to say English will serve you to arrive in your market. It will not serve you to stay there. To stay, and survive in your market you must know the language of major market value, and in this respect English is only one of several.

As a final reference point on the question of English as a lingua franca Beneke notes:[17]

> *"There is a growing awareness that the role of English as an international language has reached its peak. In Latin America, for instance, the new elites have developed a new sense of cultural identity that does not favour the use of English in trade and other contacts. All those who want to 'reach' the people (and this is not restricted to business) should make an effort to improve their Spanish or learn Portuguese".*

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# Chapter 3

## ESTIMATING LANGUAGE NEEDS

This chapter looks at problems of estimating language needs in terms of the sections of the economy that have language needs and the type and level of skills needed.

There have been few studies on the question of future demand and supply of employees with language skills and knowledge of other cultures. Here we refer as a starting point to the section on employer demand in the Report of the Inquiry into the Teaching of Asian Studies and Languages in Higher Education.[1] Apart from its own commissioned survey of advertisements that report was dependent on the unpublished survey, Demand for People with Asian Skills in Industry, Commerce and the Public Service, conducted by TAFE National Centre for Research and Development.[2]

It would be inappropriate for this report to repeat in detail the findings of the two noted above. We have however noted where our findings coincide on major points and where they differ significantly. It should also be remembered that the survey data are not strictly comparable.

The brief of this report was to look at language demand and supply across all languages not simply for Asia. In that respect the findings of the present report must inevitably be at a more general level.

### 3.1 LANGUAGES REQUIRED

In Part I of this report, the responses to the main questionnaire indicated the nine languages most in demand. They were Mandarin, Japanese, Arabic, Indonesia, Korean, Thai, Spanish, German, French. In the TAFE survey[3] respondents were asked the Asian country of most interest over the next 5 years. Japan was selected by 31%. Indonesia, China, Malaysia and Singapore were each selected by about 6% of respondents. It should be noted that Australian trade with Taiwan would appear to be a factor of considerable importance in determining the number of companies in our own survey that would require Mandarin and thus pushing it above Japanese in terms of current demand for languages.

### 3.2 DEMAND BY OCCUPATIONAL AREA

As can be seen in the survey in Part I occupations were divided into categories of management, marketing, personnel, technical & secretarial staff. Respondents were asked (Question 6) to indicate how often they or their employees needed foreign languages in their job. The highest rating was given for staff in management and marketing areas. This finding tallies with the finding of the TAFE report on use and non-use of Asian related skills that:

> *"Managers in large companies stand out as having the highest incidence of used skills.... Sales and marketing also ranked high in large companies and was highest in medium-sized ... and small companies"*[4].

It does not however tally completely with the TAFE finding on training of current employees over the next five years in Asia related skills.

> *"Management was the single highest category targeted for training in Asia-related skills with 37% of current employees to be trained in Asian-related skills coming from this area. Small companies registered the highest figure for management training with 64%. There were two unexpected findings. One is the low percentage of sales/marketing employees to be trained. One would have expected a greater anticipated need for Asia-related skills in this area, particularly for spoken skills. Respondents from large companies said that they would not be training any employees ..."*[5]

It should be remembered in interpreting this comment that the TAFE survey was more heavily weighted in its sample towards large companies. In contrast the present report was weighted towards smaller companies. The larger the company the more likely it would use, or, in some countries, be compelled to use, agencies or nationals of the countries to which it was exporting. This tendency of course relates to the fact that the larger the company the more it would be able to afford to spend on employing highly trained nationals of the country to which it was exporting.

Even though the majority of companies in our own survey employed under 500 employees the sample still illustrates the tendency for larger companies to delegate more of their sales/marketing functions to agencies and hence lessen the language requirements placed on their own sales/marketing department. This is indicated in Tables 19 and 20 of our survey.

## 3.3 THE ROLE OF AUSTRADE

To the best of our knowledge no other survey of a similar purpose to the present one had attempted to examine the perspectives of Austrade posts on the issues of language need. It was felt in conducting this survey that an integral part of defining language needs is to look at what actually happens overseas at the interface between exporter or exporter's agent and potential overseas buyers. Indeed it was a cause for surprise that survey work in this area had not been undertaken before.

Our only avenue to sampling this interface was by using a questionnaire distributed by courtesy of Austrade to Austrade posts overseas.

Despite its obvious limitations the questionnaire to Austrade was valuable in illustrating the considerable complexity of the problem and the fact that the need for export language skills is not often generalisable from one country to another.

The Austrade questionnaire replies indicate that each country has its own distinctive trade profile. An essential part of that profile is the role of and degree of dependence on agents. Another part is the importance of LOTES and a third is the need for in-depth cultural knowledge.

## 3.4 THE USE OF INTERPRETERS & TRANSLATORS

In our main questionnaire it was noted that to the question, whether they used interpreters and/or translators, barely a quarter of the companies replied in the affirmative. Given the total low level of exports for the entire sample this was perhaps not surprising.

It is of interest to note that in our survey of 15 Austrade posts on the same subject there was considerable variability in responses to questions on the use of interpreters. The question and responses are indicated below. Not all comments are detailed.

**Question 1.** Approximately what percentage of Australian businessmen consulting Austrade;
(a) use interpreters in their overseas marketing activities
(b) request help from Austrade in hiring an interpreter
(c) have help from interpreters employed by Austrade.

**Table 1**

| **Answers** | | | | | **Percent** | | | |
|---|---|---|---|---|---|---|---|---|
| | China | France | Germany | India | Indo | Iraq | Italy | Japan |
| 1a | 50 | 80 | 5 | Nil | 1 | 99 | 60 | 30 |
| 1b | 60 | 100 | 10 | Nil | 1 | 99 | 10 | 90 |
| 1c | 85 | 80 | 10 | Nil | 5 | 99 | 50 | 40 |
| | Korea | Malay | USSR | Saudi | S.America | Thai | Yugo | |
| 1a | 20 | N/A | 90 | 1-5 | 40 | 15 | 90 | |
| 1b | 15 | N/A | 70 | 0-1 | 20 | 10 | N/A | |
| 1c | 0 | N/A | 60 | 10-15 | 20 | 10 | 90 | |

Despite the variability, in combination with informants comments certain patterns seem to emerge which are consistent with other parts of the Austrade questionnaire, and other sources.

Firstly in some countries such as China, France, Iraq, Italy, Japan and Yugoslavia businessmen tend to rely fairly heavily on interpreters, either arranged by Austrade or in some other way such as through agents. Where interpreters are not used then there is considerable reliance on agents. This is particularly the case with Saudi Arabia.

Secondly there are countries such as Indonesia, India and Malaysia where the requirements for interpreters seem to be diminished by the prevalence of English.

## 3.5 THE ROLE OF AGENTS

We consider agents to be highly important because certainly in the short-term for larger companies it seems to be their professional skills which partially determine the competitiveness of the Australian exporter overseas. From the 15 Austrade posts sampled in NESC the replies indicated below on the role of agents indicate their significance. The first question on use of agents was:

**Question 2.** In the overseas market Australian businessmen who do not speak the language seem to find it extremely difficult to research competing products, make useful business contacts or work out suitable promotion and distribution strategies for their own products. As a result they may find it necessary to use overseas trading companies or agents. Would you say this happens; rarely, occasionally, frequently, all the time. The results are given below.

## Table 2

**Answers to Question 2**

R = Rarely
O = Occasionally
F = Frequently
A = All the time

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| China | France | Germany | India | Indo | Iraq | Italy | Japan |
| F | A | N/A | R | F | O | A | F |
| Korea | Malay | USSR | Saudi | S.America | Thai | Yugo | |
| A | R | A | F | F | F | F | |

The table indicates a fairly high frequency for use of either agents or trading companies. However, it is important to distinguish the different functions performed by agents or trading companies in different countries and the extent to which the need for the local language differs from one country to another. Thus of India the Austrade informant with reference to question 2 makes the additional comment:

> *"Engaging the services of trading companies in trading with India is often necessary not for reasons of language but in order to develop influential contacts with decision makers and sustain follow-up".*

And on the question of the need for the local language the same informant observes:

> *"Use of English will suffice in India".*

Again, the Austrade informant for Italy makes a similar observation in answer to Question 2:

> *....trading companies and agents are two very different concepts. The former are rarely used in developed countries like Italy, the latter are indispensable in most sectors in most overseas markets: again, it's not a"language problem" but a business fact of life.*

On the topic of language (Question 6) the same informant observes:

> *"Increasingly even markets like Italy and France accept that English is* ***the*** *international business language"* (their italics).

When we examine the Austrade questionnaire comments for Saudi Arabia a slightly different picture emerges.

> *"Most Australian firms appoint local agents in this region who have Arabic-speaking staff. Those who utilise 'overseas trading companies' in this region are few (presuming 'overseas trading agencies' excludes Australian export consultants".*

And on the need for Arabic the same informant notes:

> *"Time spent in mastering elementary Arabic (both spoken and written) would prove of immense value to the Australian exporter who is seriously committed to a sales strategy in the Arabian Peninsula. Whilst one can survive on English alone (with occasional interpreter assistance), a little Arabic naturally assists in cementing relationships in the region."*

A further example on the question of using agents is taken from Korea. The informant observes:

> *"The need for Korean agents/associates goes well beyond linguistic ability. A fluent Korean speaking Australian will have little or no lesser need".*

On the topic of learning Korean the same informant notes:

> *"Not worthwhile — as stated, language is a very minor part of the problems experienced. Once channels are opened English is widely used".*

The final example is taken from Korea's close neighbour. In this instance we quote extensively from an article in *The Australian* 26/9/89.

> *"It is a situation rich in irony: five of this country's top 10 exporters are not Australian but Japanese trading companies.*
>
> *According to the senior trade commissioner at the Tokyo office of Austrade, Mr Greg Dodds, Australian manufacturers exporting to Japan are losing out substantially by allowing Japanese trading houses to market their products. "A large share of the profits from these exports are staying in Japanese hands," Mr Dodds told The Financial Australian. He said Australian manufacturers were not aggressive enough in marketing their products directly to the Japanese, preferring instead to take the easy way out selling directly to trading companies.*
>
> *The director of Typequick Pty Ltd, Mr Van Grootel, said his company did go it alone in exporting to Japan and had become Australia's main exporter of software to Japan. The author of a computer typing program, Typequick has a Japanese publisher but established its own contacts in one trip to Japan. Our profits are greater because we have no middleman, Mr Van Grootel said.*
>
> *The biggest difficulties the company faced in its Japan operations were the language barrier and the problems in communication which arose in dealings with its Japanese publisher ..."*

It can be said on the basis of the examples noted that while agents, trading companies and other intermediaries will continue to cater for many of the needs of exporters there is considerable scope for the individual company representative to gain advantages in the market through his own skills in negotiations and communication, depending on the country concerned.

## 3.6 THE NEED FOR CULTURAL KNOWLEDGE

The full details of the Austrade replies are not quoted here. One area however which seemed of particular note was the remarks made with reference to cultural knowledge. A frequent occurrence in both our telephone surveys, the main questionnaire and from Austrade, were gratuitous comments on the need for cultural knowledge. With reference to Austrade the results are indicated below

**Question 5:** From your experience have there been occasions when Australian businessmen lost sales because they did not understand the local language and culture?

## Table 3

**Answers to Question 5.**

N = Never
R = Rarely
S = Several
F = Frequently

| China | France | Germany | India | Indo | Iraq | Italy | Japan |
|---|---|---|---|---|---|---|---|
| F | R | N | R | R | S | S | S/F |
| Korea | Malay | USSR | Saudi | S.America | Thai | Yugo | |
| F | R | R | S | R | R | R | |

The above table is significant on a number of points. Bearing in mind that often a businessman will not even know why a negotiation has been unsuccessful there are sufficient items under **several** and **frequently** to merit interest if not concern. A further point to note is the relevance of culture. Below we have quoted a sample of remarks from Austrade posts on this topic, commenting as part of the answer to question 5.

**Comments:**

Indonesia: *"Cultural misunderstandings are more important than language as English is the accepted trading language here".*

India: *"Understanding cultural differences and local customers, habits and way of thinking are important considerations".*

Iraq: *"Understanding and accepting the local culture is more important than language".*

Italy: *"Depends on the individual. Good business people adjust quickly to culture, others have difficulty. The problem is at least as much one of culture (law, bureaucracy, social customs and mentality) as of language".*

Saudi Arabia: *"Although the evidence is largely anecdotal, we believe that impatience with the Arab business practices, occasional misunderstandings due to language differences, and often simply timidity due to culture 'shock' have led to failure in consummation of export orders or repeat business".*

China: *"The most important factors in lost sales is the lack of local market knowledge and business practice. Language is a minor factor".*

To gather further information on the extent to which linguistic skills were of value the Austrade informants were also asked the following:

**Question 6:** Businessmen usually have little time to spend studying the language of the overseas market they are trying to enter. From your observations of overseas businessmen, would time spent in mastering even elementary survival skills in the foreign language be a worthwhile investment? Alternatively is it more practical for a businessman to expect to either get by in English or rely heavily on interpreters?

A sample of their answers is given below:

## Comments

China: *"In gaining success in local markets a detailed market knowledge is required. Clearly a capability in a particular language is helpful but it is useless unless accompanied by market understanding".*

France: *"(1) No. (2) They should rely on local expertise, it is a nonsense to imagine they can address the language requirements of markets 'they are trying to enter'. It is another thing in respect of operating* **within** *a market when of course the language skills are essential".*

Indonesia: *"Survival skills are useful in any foreign country. Certainly in Indonesia a basic knowledge of the local language makes it easier to get around, but business negotiations would still be in English."*

Iraq: *"Making the effort to learn 20 words makes a favourable impression on a businessman in a foreign country. However for business discussions use a native speaker".*

Malaysia: *"It depends how much time a businessman spends here. If buying/selling it is irrelevant. If setting up a joint venture and living here 1-2 years it would be useful to learn Malay".*

In summarizing, the most notable impression given by the replies is their inconsistencies. There are two fundamental inconsistencies and both emerge several times throughout this report.

The first is the view that it is possible to get by in many countries without knowledge of the local language. But getting by is not what business is about. Business success depends always on having a competitive edge. This edge can take many forms. In Germany for example as Bungay[6] points out it may even depend on not being seen as the cultural inferior of your competitors because you cannot converse in German.

But it can take numerous other forms such as being able to read the trade journals, understanding your customers negotiating style, knowing how to conduct your own market research or find someone to do it for you, knowing how to use the telephone in order to find distributors and so on. The effectiveness with which these and innumerable other tasks involving language can be carried out, will determine your competitive edge.

And following from the above is the second inconsistency, i.e. the unrealistic divisions that are made between knowing the language and knowing the culture, and between knowing the language and knowing the local market and business practice. At least four Austrade informants implied that knowledge of the local culture, market and business practices are more important than, and independent of, knowledge of the language. What this suggests is a failure to recognize that without the local language access to market intelligence practices and the culture is difficult if not impossible.

The failure to recognize the importance of language stems ultimately from the inability to see that everything is known through language. To conduct negotiations about, for example, some technical equipment you are selling has to be done through language, either yours or your customers. If it is your language through which the negotiation is being made you will probably regard the technological subject matter as distinct from the language. If it is your customer's language you are struggling to use to explain your product you will realise the language and the technology are in a very fundamental sense, identical.

Bungay[7] gives the following example:

"The trade-off between technical knowledge and linguistic ability is often heavily in favour of the latter. When I was involved in some negotiations on a big plant sale recently, I went over with some technical salesmen who only spoke English, and pretty soon, after things had begun in English, the Germans began to get bogged down. I offered to act as an interpreter, they heaved a sign of relief, and before long, I was conducting the negotiation. They stopped looking at the Anglophone salesmen, and within five minutes were addressing all their questions and points to me."

Some Austrade informants made a strong distinction between language skills and business skills. We see the two as being different sides of the same coin. Without language you have no business skills in your own country or any other.

One Austrade post made the following point about the value of language skills.

> *"Survival (language) skills to enable one to order taxis, meals, etc and establish contact by telephone with clients can be very useful"*

Such a reply raises as many questions as it answers. For example, if survival language skills are very useful for making appointments with your client, might not post-survival skills be equally, perhaps more useful in for example having dinner with your client; indicating that you understand the gist of his remarks with his colleague; finding out by telephone whether a particular company might be interested in your product; locating the right person in a company that you wish to talk to? As Burgay's devastating critique of monoglot English businessmen in Germany illustrates so well, in business, all language skills are survival skills, when it comes to surviving in a competitive market.

The examples of language skill requirements mentioned in the last paragraph draw attention to the very questionable perspectives Australian businessmen have on the nature of the overseas trading process.

The indirect evidence would seem to point to the LOTE being viewed as a requirement for successful bargaining at the point of sale. We would suggest rather that the LOTE is required for every business activity **except** the bargaining at the point of sale. Unless one has near native fluency it would be at the point of sale where an interpreter would be most valuable.

When one looks at the small percentage of Australian companies with more than 25% of turnover exported, much of which is to English speaking countries, it would appear that Australian companies have very little exporting experience. There is very little corpus of exporting practice on which to draw. It is this lack of understanding or analysis of what exporting involves and how it differs from sales in the home market that, we would suggest contributes to the belief that language is separate from business skills and to the fallacy that when one rates lack of local market knowledge and business practice as an obstacle one is referring to something quite independent of language.

## 3.8 LANGUAGE NEEDS FOR PARTICULAR INDUSTRIES OR OCCUPATIONAL GROUPS

One of the most useful sources on this area is the survey for Asian languages commissioned by the Ingleson report[8]. This survey collected data by reviewing 158,592 professional and managerial recruitment advertisements run in Australia during the second quarter of 1987 and 1988 in some 70 publications.

For our purposes the value of the above survey was limited by its focus on only Asian languages and also by the fact that no data was available on sales positions (with the exception of management, computer and finance personnel).

For these reasons we undertook a survey based on two national newspapers, of advertisements for any positions other than education, requiring a foreign language. The survey covered 2 months (August/September) in the years 1980, 1985 and 1989.

Our very limited objective in doing this tentative survey was to examine the frequency of occurrence of advertisements for non East Asian or European languages relative to East Asian languages and to observe if there were any particularly notable job categories in terms of frequency of occurrence.

We have attached the results as an appendix to this report. In quantitative terms they have a limited significance serving to highlight perhaps two features. Firstly since 1980 there has been a very significant across-the-board increase in demand for personnel with LOTES.

Secondly, and this tends to be supported by the Ingleson survey results given below there is, apart from education, a wide variety of occupations where this demand occurs.

**Occupational Groups**[9]

| | | | |
|---|---|---|---|
| 1 | Teaching & Instruction | 163 | 26.63% |
| 2 | General Management | 60 | 9.80% |
| 3 | People & Welfare Professionals | 49 | 8.01% |
| 4 | Sales & Marketing Management | 48 | 7.84% |
| 5 | Financial Management | 40 | 6.54% |
| 6 | All Other Technical Professions | 39 | 6.37% |
| 7 | Creative Art, Writing & Design | 31 | 5.07% |
| 8 | Retail, Hospitality & Tourism | 26 | 4.25% |
| 9 | Supply & Distribution Management | 25 | 4.08% |
| 10 | Engineering | 20 | 3.27% |
| 11 | Administrative & Support Man. | 19 | 3.10% |
| 12 | Banking & Broking | 17 | 2.78% |
| 13 | Medical & Health Diagnosis | 15 | 2.45% |
| 14 | Information & Computer Man. | 13 | 2.12% |
| 15 | Insurance, Legal & Property Man. | 11 | 1.80% |
| 16 | Science & Technology Man. | 11 | 1.80% |
| 17 | Personnel & Industrial Management | 8 | 1.31% |
| 18 | Building, Construction & Mining | 7 | 1.14% |
| 19 | Production & Materials Man. | 7 | 1.14% |
| 20 | Nursing | 1 | 0.16% |
| 21 | Secretarial & Office Support | 1 | 0.16% |
| 22 | Trainee Management | 1 | 0.16% |

Even though General Management, which is itself a loose definition ranks at 9.80% that percentage is not markedly ahead of several other occupational areas.

In the case of our own results the numbers were not quantitatively large enough to warrant division into such occupational groups.

The value of projecting demand for particular occupational or individual groups seems limited. As Chapter 1 of this report implied, the internationalization of the Australian economy will affect, eventually, all areas of economic activity in

Australia, and, as will be noted in chapter 4, changes in curricula to embrace more language study should affect students across many disciplines.

At present there are a number of occupations where demand is already beginning to exceed supply. As the Ingleson report notes for example:[10]

"Legal firms specializing in international law or, having among their clients Australian firms trading with Asia, and Asian companies trading with or in Australia, see a continuing need for lawyers who also have an Asian language Strongest demand is for law graduates with Japanese, but law graduates with Chinese or Indonesian also appear to have no difficulty in finding suitable jobs".

Key points of interest here are firstly the emphasis on combining language with another discipline, a theme to be taken up further in chapter 4. At this point we would point out that it is frequently reiterated that companies do not want just language graduates. The employee had to have a major competence plus a language to be valuable.

Another point of interest from the above quotation is the long-term orientation required for man-power planning in the education sector vis-a-vis the needs of industry. Combined law/language or management/language graduates take time to train, and need industry experience before they become effective.

## 3.9 THE NICHE FACTOR IN AUSTRALIAN MANUFACTURING

Australia does not have a strong or extensive manufacturing sector. Many of its companies hold their ground by focussing on niche products or niche markets. There are many examples of niche companies in other sectors including firms involved in the processing of products from the primary sector.

The niche factor makes it difficult to generalise about demands for languages in terms of industries. One cannot say, as in the case of N.E. England, for example, that the major demand for German is in the Engineering industry.[11] Thus the winner of the 1987 Australian Export Awards (Small manufacturers category) was a manufacturer of spectacle frames.

However what is particularly notable about the Australian Export Award Winners is not the heterogeneous range of industries from which they emerge, but the important role of foreign languages in their success. Thus in 1987:[12]

"Twenty-four of the 35 finalists (68.6%) employed people who were fluent in one or more of Japanese, Chinese, Arabic or French, compared with 63 (32.1%) of the 196 non-finalists who furnished replies to the question.

The finalists employed 199 people fluent in these languages, or an average of 5.7 staff members for each company. The non-finalists employed a total of 273, an average of 1.4 staff members for each company. The average finalist therefore employed 4 times as many people fluent in these languages as the average non-finalist".

One might also note that the factors ranked by the Export Award Winners as most contributory to their success are highly language related. Thus in 1987:

## Export Marketing Factors in Export Success

| Factor | Finalists' Ranking | Non-Finalists' Ranking |
|---|---|---|
| Personal Visits to Markets | 1 | 1 |
| Drive and Persistence | 2 | 2 |
| Marketing Strategy | 3 | 3 |
| Customer Relations | 4 | 4 |
| Meeting Customer's Requirements | 5 | 5 |
| Devaluation of $A | 6 | 6 |
| Contribution of Agents | 7 | 7 |
| Trade Displays | 8 | 11 |
| Market Research | 10 | 10 |
| Bringing Customers to Australia | 12 | 13 |
| Distribution Arrangements | 11 | 8 |
| Advertising | 9 | 12 |
| Information from AUSTRADE | 14 | 9 |
| Special Finance or Credit | 13 | 14 |

As Bungay observes:[13]

> *"The lessons of all this are clear enough. Business needs many more of two kinds of people. It needs linguists with a high degree of fluency and also familiarity with foreign countries who can be given a commercial and/or semi-technical training and then sell; and it needs senior managers, engineers and scientific personnel with some degree of linguistic competence. It should not be forgotten that mastering a language takes years, so companies should be looking hard at language graduates when recruiting. They should also pay their technical people more if they can speak a foreign language, and for a lot of companies, German should be high on the preferred list. This is not just adding cost. You will tend to get better quality staff, you will save a lot of translating fees, and an immense amount of time. A language by itself is no use to anyone, but linguists as a group are not outstandingly stupid, so give them a try."*

## CHAPTER 3 REFERENCES

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# Chapter 4

## THE ACADEMIC INDUSTRIAL DIVIDE AND THE PROBLEM OF RELATING THE EDUCATIONAL CURRICULUM TO THE NEEDS OF INDUSTRY

Our initial investigations indicated that while large or multinational companies have the sophistication and funds to recognize the need for and invest in linguistically skilled personnel, middle sized and smaller companies often had very little awareness of their deficiencies in personnel, regarded export activity as peripheral to the domestic market and usually had no idea how to even begin to develop their own export culture in terms of finding personnel who had language skills.

It is with these latter companies that bridges need to be built if any progress is to be made in involving them in export activity. One has to bear in mind here the very small proportion of Australian companies that could be said to be "globally competitive".

> *"Only 2 per cent of our exporters can be said to be global competitors, i.e., only perhaps 100 companies whose sales are $50 million or more and whose exports are at least 25 per cent of turnover."*[1]

### 4.1 BUILDING BRIDGES BETWEEN EDUCATION AND INDUSTRY.

It has recently become more common in Australia to look at building closer links between the education sector and industry in the fields of management training and technology. Models are frequently taken from Germany and Japan. Thus,

> *"Australia's universities in particular, must establish 'major integrated research institutes' which can formulate technologies with an understanding of the skills required for the basic workforce, and which take greater account of industry and consumer needs, the West Germans for instance, have devised integrated university research groups which go into industry, responding to and attempting to solve specific problems".*[2]

Professor Ford observes of the Japanese skill formation model:

> *"To understand the concept of 'skill formation' it is necessary firstly to realise that it is not the Japanese equivalent, interpretation or translation of the Western concepts of 'vocational training' or 'skills training' or 'technical education'. The Japanese concept of skill formation embraces the ideas of education, training, experience and personal development. It is a holistic concept that does not fragment human development in versus of the vested interests of traditional institutions.*[3]

It might be objected that our reference points here are to technological change related skills rather than humanities oriented skills such as language learning.

We would argue that many of the same principles and needs apply in bridge building between education and industry, whether in technology or humanities.

One of the essential principles advocated by the RMIR for integrating education and industry is the recognition to be given to work experience.

> *"The Institution of Engineers has developed a 'continuing education policy' for its members, a component of which is 'co-operative education' whereby company trainees and students spend time in industry and periods in an education establishment in a structured fashion and not on a part-time attendance basis. Like the Institute of Engineers, the Business Council of Australia aims to encourage its member-organisations 'to enhance their education, training and development strategies in order to raise the quality and performance of [their] workforces".*[4]

The above approach also has relevance for the language arts particularly for students taking business languages. At this point it is necessary to note that there are many possible ways of combining work in industry with language training. In this report, as will be seen later, we are predominantly looking at a model that combines language study with study of another discipline (most probably business and technology) plus work experience, in various ways.

Extensive documentation now exists on combined language/other discipline courses. Some documentation exists on internships in business in a foreign country by U.S. or U.K. students studying business and the language of that country. For example, Raffield B.[5] has written on problems associated with the supervision of internship experience in multinationals, where the intern was already studying a business/language combination and Iwamura S.G.[6] has also written on internship and foreign language training. Again Potoker E.[7] writes about:

> *"the analysis of the routine operations of local business, industry, and service organisations for periodical units of study for sequential development of competencies in the target language, to be accomplished through integrated partnerships with local business".*

The logistics of placing students in industry on an internship basis perhaps presents as much complexity as those of providing language/business training to those already employed. Within the compass of the present report the further study of these problems must be largely a recommendation. Nevertheless in this part of the report models are defined which permit company internships to a certain extent. For the moment we shall examine how the mechanisms of the market have so far handled the problem of language training for industry.

## 4.2 LANGUAGE TRAINING BY THE PRIVATE SECTOR

Many of the successful language training programs in both Germany and Japan are those run within large companies, or under contract by private schools to large companies and which are purpose based towards the companies needs after intensive consultation between teacher/administrators and company staff.

A similar situation prevails in the U.S.A. Thus, in his opening address to the Computer Assisted Language Learning & Instruction Consortium, 1989 Professor Lambert said:[8]

> *"One thing is clear, however: if we are talking about corporate language training for international competitiveness, it is the proprietaries (commercial language schools) that are now providing this service. In our interviews with corporate executives who manage the preparation of employees for overseas assignments, it is clear that they very rarely, if at all, call on the formal educational system to serve their language training needs. This is so even*

> *with respect to the less commonly taught languages where our university-based language and area studies programs have teaching resources unrivalled anywhere in the world".*

[Professor R Lambert is Director of the National Foreign Language Center at the John Hopkins University, and is Professor Emeritus of the University of Pennsylvania, where he was Dean of Instruction and Academic Planning and Chairman of the South Asia Regional Studies Department].

The commercial language teaching sector has certain attributes which make it particularly adaptable to the needs of industry and omission of its mention was a surprising feature of the Ingelson report.[9] Lambert notes of the private sector that *"it serves foreign language training needs that the formal education cannot or will not. It provides training on demand in time frames and for purposes that fit the needs of clients better than the campus-based, semester or quarter long units to which the procrustean bed of academic language instruction is fitted. One of the regular clients of proprietary vendors is DoD, that spends $2 million annual to have 500 students provided with language training outside their own schools. Other agencies like the F.B.I. use vendors almost exclusively and most agencies requiring on site training for overseas employees use on-site private vendors for that purpose. Even F.S.I. uses vendors to cover languages for which there is no in-house teaching capacity".*

In Australia very little has been done at any level of industry towards establishing language training facilities within industry to compare with the commitment made in Europe. Yet if the European company experience is any guide it could be, **for some languages,** training within industry as much as training in the education sector that will prove most effective, unless the public education sector radically remodels its approach.

Of the company sector in Australia Qantas stands out as the most adequate model.[11]

"THE QANTAS $6 MILLION INVESTMENT IN ASIAN LANGUAGE SKILLS"

*Qantas is investing $6 million over 3 years to accelerate the development of Australians with Asian language and cultural skills, combined with other commercially important skills to help meet growing needs in Qantas, Australian business and industry (especially tourism) - and ensure the benefits of expanded relations with Asia flow to Australians.*

*In its first year, the Qantas investment has directly provided 500 Australians with employment and training opportunities — 300 in Qantas and 200 outside the Company.*

***The Qantas Internal Program ($5m)***

*A strategy of recruitment policy, language training and skills incentives for Qantas' own staff:*

- *Qantas **recruitment policy** gives preference to applicants with skills in the Company's priority languages, who also meet other Qantas entry requirements. Progressively, languages skills are required for entry into Qantas, especially in customer service and graduate positions (over 100 Australians with Asian language skills recruited in last 12 months).*
- ***full-time intensive training, on full pay,** for customer service staff, in specially designed courses in the Company's **priority** languages. (October*

*1988; Japanese, Mandarin, Cantonese, Korean and Thai). Commencing with Japanese, courses of 150 hours (5 weeks) for cabin crew and 90 hours (3 weeks) for ground staff, were successfully trialled in 1988, involving 120 staff. Training planned for several hundred more in 1989.*

- ***course costs of up to $1,000** for any Qantas employee to learn or upgrade their skills in their own time; **up to $4,000** plus airfares for overseas language training for key staff and up to 4 weeks **paid educational leave;** (80 Qantas staff assisted).*
- ***language skills allowances** for staff reaching Company proficiency standards (currently **elementary** $5/week) and **advanced** — $10/week).*

The in-company language training model practised by Qantas was already common in Europe by 1980. Indeed the European experience probably gives the best insights into the in-company approach for developing multilingual skills. One useful example is the work undertaken by the Erfahrungsaustauschring Fremdsprachen in der Wirtschaft (E.R.F.A.). The membership of ERFA comprises leading industrial concerns in West Germany, Austria and Switzerland.

In his introduction to 'Language Incorporated' Reinhold Freudenstein gives an interesting perspective on the professionalism of language training in industry and the advantages it has over the formal education sector. He points firstly to the fact that ERFA members are at the front of the field in bridging the gap between research and theoretical thinking on the one hand and teaching practices in in-company language courses on the other.

> *"The director and teachers of the foreign-language centres of these firms hold a 2 day meeting twice a year ... Professional guidance in the selection of lecturers is provided by the Informationzentrum für Freudensprachenfors chung of the Philipps University in Marburg; but ERFA members often do not need much guidance ... Over the years most well- and widely known specialists in the language field have addressed the members of ERFA — Professor Nickel on error analysis, Professor von Parreren on the use of the mother tongue in foreign language instruction, Professor Piepho on communicative competence, to name just a few. Whenever a new concept of language teaching comes up or new strategies are being propagated, ERFA members are among the first to discuss them with their originators."*

Though some space has been spent here describing the large company language training model two reservations need to be made. Firstly, it is possible that Australian industry is dominated in quantitative terms by overseas owned companies that do not promote exports out of Australia except to PNG and New Zealand. It did not lie formally within our brief or resources to look at the extent to which large overseas company holdings in Australia have a deliberate policy of not competing against their own branches elsewhere. Certainly we encountered a number of responses to indicate this was the case even though our sample was aimed at the smaller non-multinational sector. Secondly, the large in-company language training model would probably require the formation of syndicates to be useful or applicable to small companies.

In the following paragraphs we shall elaborate on the way in which operational or instrumental criteria guide language training in some of the large European companies. In doing so one objective is to illustrate the extremes of a spectrum which Van Ek[13] describes in the following terms.

> *"The evaluation of objectives for school subjects is ... a very different matter from the evaluation of objectives of say, staff courses, where the purely*

*instrumental command of a foreign language for highly specific purposes may well be the one and only component"*

The objectives of a foreign language course in industry are known in detail to the learner. Furthermore the time required is shorter. Students in school expect years of foreign-language instruction. They have no looming necessity of having to shortly use the language. Training courses in companies are defined in terms of a few weeks or months, but rarely more than a year.

The learner in a company is highly motivated. His success will impinge on his professional, personal and financial well-being. Modern testing methods make it possible to measure his level of achievement.

In terms of staff, the teachers in industrial companies are expected to work more intensively and to improve their own competence by keeping up to date with new developments. They are evaluated on performance and the level of competition for their positions is often keen.

In terms of resources language centres in large companies have much more efficient cost-benefit analyses but at the same time are often better resourced and able to purchase materials more quickly and flexibly than schools. Many of the best resources in adult language learning are designed for the company market.

In contrast foreign language courses in schools pursue general educational aims. These general education aims may be specified in detail in terms of various competences, thus:[14]

> *"linguistic competence*
> *sociolinguistic competence*
> *discourse competence*
> *strategic competence*
> *sociocultural competence*
> *social competence"*

These competences in turn have various realisations, for example:

> *"Coping with problems*
> *Students should be able to cope with a number of problems or difficulties which may be encountered when travelling abroad"*

The specification then goes on to note factors such as minor driving offences, faulty hotel reservations, difficulties experienced while shopping, etc. Yet despite the new 'communicative' orientations espoused, as in the example above, by the Council of Europe, the difference between the company language teaching approach and the formal school approach remains as the difference between the instrumental and the non-instrumental.

The distinction is one of the most important in foreign language teaching and it is a distinction that stems largely from the instrumental environment or institutional framework in which companies operate and schools for most of the time do not.

The institutional or operational framework within which language, indeed all education, is carried on, is much the same as it was fifty years ago, that is, in the school and tertiary system. Materials, texts and software have changed, as have methods. But the framework of operation has not changed and nor have our expectations of student success in learning languages.

A great deal of ink and time has been spent in the last two decades in defining the content and methodology of approaches to language teaching that will be more 'communicative'. This has been particularly true of the teaching of English. It is not our intention to reiterate those discussions and practices except in relation to one area. It would appear to be the case that a 'communicative' methodology only begins to be either communicative or effective at the point where it causes a fracture in the traditional teacher-centred institutional structure and has the objective of filling a communicative need. These conditions are not easy to meet within any of the traditional educational environments. The solution partially lies therefore in a change in the educational environment or institutional framework.

To illustrate what is meant by a 'communicative' methodology being integrated with a non-teacher centred framework and directed at learner-centred objectives we will use an example of Teaching by Participation.

This has been a common approach to company language training since the 1970's. Beneke describes some of its essentials in the example given below.[15]

> *"On several occasions, a sophisticated computer-based simulation game was used to train middle management personnel. The game went on for a full week and was conducted entirely in English, with a double purpose:*
>
> *(1) to make participants aware of and sensitive to the interdependencies of decisions affecting various sections of the business in a changing market, and*
>
> *(2) to train them to solve all their problems, i.e. the task as given and the group dynamics problems in the foreign language. As there were several participants from non-German-speaking countries, the use of English throughout was compulsory and quite natural."*

This is one example of an approach which fulfils a number of requisite, minimal criteria for communicative language teaching. It is not an exceptional or particularly modern approach. Its nearest equivalent in the school language teaching context might be the language immersion class where the students engage in task oriented behaviour while studying another subject such as physics, in the foreign language being learned. We have noted below what we consider to be some of the virtues of this approach.

The situation had a high degree of realism in as much as the group's success was genuinely evaluated by outside observers, and by the computer. In addition the feedback was immediate. At another level the way in which the group managed themselves was also being evaluated.

The role of the teachers was primarily that of consultants or facilitators of the ongoing interaction, for example, by noting language problems and assisting during near-breakdowns of communication. Nevertheless prior to the simulation the consultants acted out demonstration dialogues as models for the participants to use.

Beneke points out that:[16]

> *"Everything the participant learned was of immediate relevance because it filled a communicative need. Consultants were, for instance, asked: 'What do I say when I want to express so and so?' The simulation creates an ideal psychic state, because the user feels the need and does not have linguistic material thrust upon him for which he has to accept the teacher's word that it may at some time be relevant"*

In some ways the commercial language teaching sector epitomises the private versus public sector education debate. Thus it is immediately responsive to the needs of its clients, indeed it seeks them out. Furthermore, its perception of the educational process is to aim at 90 per cent success at least, in order to maintain client goodwill, as against the public education sector which in both external & internal examinations of proficiency thinks in terms of the bell-shaped curve. Again, the private sector uses competence required as a measurement of success rather than time served.

Nevertheless though the private sector in some countries offers some useful principles for a user-oriented model of language instruction it has deficiencies. These deficiencies however, by and large, tend to be found within its methodologies and teacher training rather than with its external relations with clients and the priorities it attaches to their needs and performance.

## 4.3 ASSESSING THE NEEDS OF BUSINESS AND INDUSTRY

Very recently Australian public sector education has become tentatively more aware that language training in the higher education sector should acknowledge the needs of users. Thus the Ingelson report 1989 made a formal recommendation regarding industrial needs.[17]

> *"We recommend that industry associations make specific studies on the likely demand for people with Asia-related skills and that they confer with government and higher education about these needs, with a view to advising higher education on specific training needs. At the same time, higher education should be ready to assist employers with training programs in a way that maximises the benefits for both parties".* [Recommendation 2: paragraph 2.57].[16]

This recommendation is interesting because it throws the onus for taking initiatives on to industry not on to the tertiary educational sector.

What it implies is that there are few structural or organisational mechanisms through which educational institutions can seek out the needs of and cater for, the industrial sector, or traditions that they should do so.

## 4.4 THE NEED FOR CHANGING INSTITUTIONAL STRUCTURES

It is necessary to consider seriously the possibility that existing educational structures and institutions have not and therefore may not succeed in the future in training many Australians successfully as speakers of either European or Asian languages. This issue has been extensively examined elsewhere. Here we mention the employers perspective on Asian language training in formal education.

According to Foley,[18] employers in Australia rated all *"formal study at educational institutions poorly as a means of providing students with Asia-related skills. Only 12 per cent of respondents indicated that educational institutions satisfied their needs in this regard."*

The same study however, despite the deficiencies noted above, reports that 75% of employers felt there should be more Asia-related courses offered by educational institutions and that, *"About one-tenth of respondents said that they would be training present employees in Asia-related skills over the next five years. Spoken language was the skill most often selected...."*. How this training was to be carried out remained unclear.

From what has been said above there would appear to be a vacuum in terms of suitable provision of industry oriented language training.

## 4.5 THE DIFFICULTIES OF EFFECTING CHANGE

It would be inappropriate in a report of this nature to digress extensively into an examination of the strengths and weaknesses of Australian language education. Nevertheless a major and explicit mandate of the report is to examine how industry's needs will be met in the future and for that reason language education as it exists in both public and private sectors cannot be ignored.

In preparing this report we came across several recent publications that effectively described the inadequacy of Australian language education as it is today. It would be a pointless exercise to reiterate the criticisms, proposals for improvement, and the implications of failing to improve the language education process and system.

Our concern therefore here has been to simply relate the criticisms, proposals and implications to the priority for connecting language education to the requirements of industry.

A long-ranging perspective over Australian language education would suggest that the languages in the school system which were of major significance, i.e., French (7.45% of all students 1983-86), German (4.58% of all students 1983-86) and Italian (4.13% of all students 1983-86) made relatively little progress in terms of numbers or level of proficiency achieved during the whole period 1960 to the present. Indeed, if anything, there was a decline. Thus Lo Bianco notes:[19]

> *"Only 12% of all students in the final two years of secondary school study a language other than English. This has declined from over 40% in 1967".*

By and large this pattern of decline was reiterated in the tertiary system.

At the same time as this pattern of decline was observable there was a steady increase in the articulation among many sectors of the Australian community of the socio-economic benefits to be derived from multilingualism. These benefits were couched in terms of:[20]

> "(1) *Enrichment: cultural and intellectual*
> (2) *Economics: vocations and foreign trade*
> (3) *Equality: social justice and overcoming disadvantages*
> (4) *External: Australia's role in the region and the world."*

Lo Bianco 1986

The trends above describing a decline of language education parallelled by increasing concern for language education suggest that there is little in the way of mechanisms for linking the two. Concern for language education by itself does not lead to improvements in language education. This would seem to be fairly obvious. It would also offer an encouragement for change in the structures that rule language education since they do not seem to have proven adequate. Thus there is no a priori reason why the new surge of interest in Asian languages should be accompanied by any more success than occurred, in terms of numbers and proficiency, during the last twenty years in the teaching of European languages.

It is true that we are part of a more internationalized economy which is creating unprecedented demands on the population for speakers of Japanese. But with existing institutional structures of language education there is no evidence to suggest that this economic demand will effectively impinge on supply. If significant numbers of Japanese speaking undergraduates are to be produced there will have to be, for example, significant changes in the career structures of those who teach them to make teaching more effective and attractive. Some telling comments about language teaching as a career were made in the submission, quoted below, to the National Conference on Teacher Supply for Japanese and Mandarin in Australian Schools.[21]

"In discussions with students, teaching was not seen as an attractive competitor to a job in business or government. The major points they raised are listed below.

- Many specifically said they would not take up teaching because it did not offer a good chance to make money.
- Almost all felt it lacked potential in interesting career development. This was true for all teaching and especially for language teaching.
- It was generally agreed that foreign languages had not been considered very important at school compared to the prestige subjects of maths, science and English. At some school students said they had felt their native speaker teachers were not always well regarded and Asian languages seemed to get the worst in timetabling and rooms.
- While a few had good memories of their language teachers, some had found their teachers dry and dull and their image of foreign language teaching is of a job they would not wish to do themselves.
- Several students stated they were put off teaching by hearing from friends that Dip. Ed. was boring and schools are tough.
- Among those interested in teaching, one major concern was that of job security. Independent schools were seen to be less secure than Ministry schools for both teachers and foreign language courses. "They just fire you if they don't want you, or cut you back to 2 days a week". "If there are only 6 kids who want to go on in Year 9, they just can the subject. It's really tough on those 6 kids you've been working with and you're out of a job as well.
- Many students were sick of being a student and were looking forward to being free of study and having some money as well. They were not interested in another year of study in Dip. Ed.
- Only students finishing 3rd Year Indonesian at Monash felt they were competent to teach the language. All other groups were quick to say they felt their level was too low for good teaching: I wouldn't want to be taught by me! was a common remark."

Other deficiencies in the system have been noted by Ingleson[22] in his paper to the same conference. He notes, for example, the under-representation of males in language studies, the weaknesses in existing degree structures in terms of time and intensitivity, the weaknesses in methodology, the lack of integration of languages with other disciplines, the influence of time in-country as a motivating factor, the early streaming in schools between humanities and sciences and hence between girls and boys, the fact that, referring to the need for change:[23]1

> *"It will mean a whole range of things that we do not do now. Simply to try and say that they should come in and do the same courses that we have been*

> *running for twenty years is unrealistic. It won't happen, it won't meet their expectations."*

## 4.6 THE REQUIREMENT FOR INTERNAL AND EXTERNAL CHANGE

The system as described above tends to lead to two conclusions. Firstly, internal adjustments to the system are necessary but not sufficient. By internal adjustments is meant for example the introduction of more communicative methodologies, and materials. In fact the effective use of more communicative methodologies and materials can only be part of institutional structures that promote more communicative teaching.

External or structural deficiencies in the system have already been mentioned. For example, the percentage of time that can be given to language study vis-a-vis other subjects. It is a curious example of massive institutional inertia and vested interests that despite all the evidence pointing to a lack of efficacy, the language training program in schools and universities in many countries over a period of many decades has continued to treat language learning as just another subject to be studied on the same basis and time allocation as any other subject. In countries where English (or a LOTE) was both a second language and a medium of instruction, often ironically in developing countries, communicative methodologies have been more applicable. In the course of writing this report we managed to locate one instance in Queensland where LOTE teaching had breached institutional constraints sufficiently to be able to fully utilise a communicative methodology. That case was an immersion program in French at a Queensland high school, where pupils from years 8 to 10 could opt for all their lessons in maths, P.E., science, music and social studies to be conducted in French. It was reported by our informant to be an outstandingly successful program.

Such are the dimensions of the trade crisis currently confronting Australia that only a major shift in institutional structures both within education and at the interface between education and industry is likely to produce enough competent linguists to meet the needs of an export culture within industry. Such an outcome will have to be both demand driven by industry and supply driven by the secondary and tertiary system.

The most recent, and comprehensive index of new orientations in Asian language teaching is probably the Ingleson report.

The report was partly a response to government concern with Australia's Asian trade balance, but also reflected new orientations in community thinking. Thus,[24]

> *"In 1988, for perhaps the first time in Australia, there are signs of a strong motivation for the study of a foreign tongue. With the increased demand for Japanese (and to a lesser extent Chinese) a growth period has begun for Asian language teaching in Australia."*

An integral part of the report was research by Bowden and Quinn. "Approaches to the Teaching of Asian Languages in Australia".[25] In many ways the stance taken as a result of their research study and that of the Ingleson report as a whole could justifiably be said to reflect the broad consensus of academic opinion in Australian language teaching circles at the time of publication in 1989. To that extent it reflects many of the inherent structural and administrative rigidities in Australian education and in education's lines of communication with industry, that are likely to render difficult experimentation, pragmatism and a move to a new order of language teaching.

The tenor and scope of the component by Bowden and Quinn, is fundamentally reasonable and comprehensive in recognizing the core of the problem. Ideologically however it is confined by the same reverence for institutional purity instanced in the drawing of clear demarcation lines between education and industry, the defining of standards on academic as opposed to vocational or instrumental effectiveness criteria, which need not necessarily be in conflict, the stark differentiation between the boundaries and beneficiaries of TAFE courses as opposed to university courses, time-serving as opposed to measured competence, in a word all the markers of what Gruen referred to (see Chapter 1) as those "peculiarly Anglo-Saxon institutions that are inimical to economic growth."

From what has been said it would seem that both internal (as defined above) and external or structural change is required. But the question that remains is what will serve as the agent(s) of change? In a report of this brevity we can only sketch some outlines in terms of defining the major agents of change.

It is unlikely that the burden of radical change can be carried forward unaided at the local level by individual teachers or even groups within one locality. Thus devolution of syllabus design and methodology has exhibited limitations for improving language teaching in the past. One could point for instance to the apparent lack of coordination of many language programs around the country. And such criticisms apply from primary to tertiary level.

Up until recently the arguments for either devolution or centralisation tended to largely neutralise each other. Centralisation was often regarded as counter innovatory. Devolution was frequently charged with failing to use resources most effectively. Countries where language education was highly centralised did not have startingly better results than countries where it was highly devolved. As we have already noted language education in the formal public sector has inherent disadvantages which override the issues of devolution or centralisation; hence the attractions of the industrial language training model discussed earlier.

The advent of a number of recent educational technology innovations applied to language learning are beginning to lessen the relevance or at least change the form of such arguments as devolution versus centralisation.

One recent example is the use of interactive satellite education networks (ISEN) introduced by IBM to the US, Japan and Australia. This technology enables a lecturer based in Sydney to conduct courses in six Australian capital cities. Its main features have been described as follows:

The ISEN network is completely controlled by the instructor teaching in a studio equipped with television cameras and microphones. Each classroom accommodates 12 students and is equipped with a sound system and two full-colour video monitors. There is an interactive network which provides valuable feedback to the instructor via a touch-sensitive display screen. Each student also has a Student Response Unit (SRU), which contains a microphone and key pad with which to talk to the instructor or answer questions.

The 11 remote classrooms of the ISEN network have a capacity of 132 students which can be extended by adding more classrooms or receiving sites. Stages two and three will enable courses to be taught simultaneously.

The above is just one example of a technology that could radically change the form and effectiveness of foreign language teaching and render much current work in syllabus design, method and materials as largely outdated. For instance it could mean that the learner of Japanese in Australia could have more interaction with a

Japanese teacher in a television studio than they could have by actually visiting the country.

A further example of this kind of technology mediated relationship between student and teacher is the Open Learning Centre Network proposed for Queensland. This will be a statewide network operating through 40 centres.[26] It will include a *"comprehensive range of high quality, expertly designed, modular programs which can be delivered anywhere within Queensland as well as nationally and internationally, to meet identified educational and industry needs"*

Little of the technology needed is not already available. It includes the following:

> *"microcomputer, modem, printer,*
> *loudspeaking telephone*
> *photocopier*
> *answering machine*
> *facsimile*
> *VCR and monitor*
> *2 telephone lines".*

Another example with less radical implications as an agent of change is the Project for International Communication Studies (PICS), financed largely by the U.S. Dept. of Education. This operates a network for colleges, universities and high schools across the USA to foster the use of authentic foreign television materials in foreign languages and international studies via the media of videotape and videodisc.

One of the major considerations concerning such technologies is that they have to be used widely. Yet, though for cost reasons they necessitate centralisation at the same time their interactive facility permits individual reaction from each locality in a much wider variety of ways than most current methods and materials.

One can see from the third example above that there has been a major shift towards professional materials producers using capital intensive techniques to produce quality materials that the individual teacher by and large could not equal. That is not to say that there is not considerable scope for individual teachers creativity. Indeed most materials existing today were created by teachers who were given financial assistance to withdraw from the teaching force for the purpose of materials creation. However to be most effectively used and economically produced those materials depend on large markets.

From the examples noted above what is perhaps most noteworthy is the impact they might have on the institutional structures within which language education is carried out. It is inappropriate to discuss them extensively here, but certainly one effect would be to shift the role of the teacher from pedagogue to facilitator and mediator.

We have argued earlier that if the language training model is to be effective then it needs to operate from a new paradigm. More of the same will not do. If we regard the long-term effectiveness of a teacher as a function of the materials they use, then there is a case for ensuring common access across the country to the same best practice resources. But there is a further step. Resources and materials cannot be seen as isolated products. They should occur in the context of a needs based syllabus that is designed not just by the individual isolated teacher or school but reflects input from all institutions and is applicable nation-wide. This brings us to consideration of a second agent of change — the integration of language learning with other disciplines.

## 4.7 CHANGES IN THE TEACHING OF BUSINESS AND LANGUAGES

From the findings of our questionnaire it was apparent that numerous companies in Australia have considered and experimented (with only minor success), with the export option. There is good reason to think that only the most effective support measures from the surrounding socio-economic infrastructure, that is higher education, industrial organisations, state and federal government institutions will lead them to an offensive drive into marketing overseas.

Lest the above be interpreted as an exaggeration we should bear in mind the extent to which lack of facility in languages, particularly Japanese, has placed Australia in an inferior world role in trading relationships. For example, as noted earlier five of Australia's top ten export companies are Japanese organisations, i.e. trading companies. This is attributable not to just Japanese manufacturing skills, but to their superiority as marketers, linguists and communicators.

What we will therefore consider below is the design of language programs that meet a much more radical set of criteria in terms of instrumental effectiveness. In examining them however we will also focus on a different kind of issue, namely the content of business courses to meet the demands of international trade.

The term business education embraces an enormous range of areas of study including accounting, personnel management, law, computing, production management, psychology, marketing (national), marketing (international) and so on. Each of the above can stand as an autonomous discipline area.

We believe there is a case for regarding export management as a business discipline in its own right. To a certain extent this is confirmed by the existence of the part-time Diploma in Export run by the former Queensland Institute of Technology in conjunction with T.A.F.E. (Interestingly this course had no language component). It would seem to be the case that the complexities of export management and marketing are so extensive as to justifiably merit a degree structure in its own right. In addition to which success in exporting has become a major national economic priority.

In their discussion of 'double degrees and employability', Bowden and Quinn[27] point out a number of difficulties confronting the language/business degree concept. To counter those difficulties we would argue firstly that the vocational element of the existing business degree may not be sufficiently relevant to the practice of exporting. Secondly it is possible that at least a third of the business degree studies should be carried out within the context of learning on the job. Part of the justification for this is found in the frequent dilemma faced by small to medium sized companies, namely that school leavers have insufficient training to be of value and graduates are too expensive.

Thirdly there are indications that many business and language degree courses in Australia, partly as a result of the institutional framework in which they operate, partly as a result of their highly academicised content have very little relevance to the requirements of industry and business. The Japanese regard this as an inherent problem of universities and view a graduate's real business education as starting when he moves out of university into a company.

The perpetuation of the academic rather than the vocational orientation seems implicit in the Garnaut report's recommendations for extending Asian Studies in Australia.

One example is its recommendation that;

> *"A centre of Australia-Korea Studies should be established to develop Australian expertise in economics, political science, strategic studies and language."*"[28]

While one applauds any move to further Asian Studies, the above proposal may have as little instrumental value for the export efforts of Australia's small to medium sized business community as the existing departments of European and Middle Eastern studies have for exports to those domains.

In the same vein it is worth quoting an extract from a paper delivered at the 27th JABCC-AJBCC Joint Meeting, in Kobe 1989.

> "*... there are now over 100 programs available for study, research, training and cultural awareness but only one program for business executives*".[29] (See Table)

**Table 1**
**Candidate Type and the Number of Programmes for which they are Eligible**
**(number, percentage**)**

| Candidates | Programmes | | Places | |
|---|---|---|---|---|
| | Number | Share | Number | Share |
| Secondary Students | 55 | 46% | 752 | 71% |
| Undergraduates | 37 | 31% | 212 | 20% |
| Postgraduates & Academics | 25 | 21% | 204 | 19% |
| Teachers | 13 | 11% | 176 | 17% |
| Young adults (other than students) | 3 | 3% | 47 | 4% |
| **Business people** | **1** | **1%** | **5** | **1%** |
| Professionals | 3 | 3% | 4 | * |

* Note: Less than 1%
** Note: This is a multiple response table
Source: AJEI Survey Data

## 4.8 INSTRUMENTAL COURSE STRUCTURES

We have outlined below what might be termed an instrumentally oriented degree structure taking into account the criteria implicit in this chapter's discussion so far. It also takes account of the generally recognised fact that employers want graduates with other skills plus language skills, not language skills alone.

We have assumed for the sake of exemplifying, that, with this model, in the case of Arabic, Chinese, Japanese and Korean, the student will have had not less than 16 weeks (480 hrs) training in the school system. This would enable him to commence with an elementary proficiency in the spoken language of 1 on the ASLPR.

## Possible Models for Integrating Language with Another Discipline

| Length | Content and Location | Requirements and Entry Points |
|---|---|---|
| **Model 1** (For students without business experience leading to BA) | | |
| Year 1 (4 term) | **Australia.** Business administration including international trade, export management and marketing. | Entry at Year 1 or Year 2 based on tested language proficiency. |
| Year 2 (4 term) | **Overseas**. Intensive language in-country. Business language and culture training in-country. 1 term internship in-country. | |
| **Model 2** (For students without business experience leading to BA) | | |
| Year 1 (3 term) | **Australia**. Business administration including international trade, export management and marketing. | |
| Year 2 (3 term) | Business economics and administration plus half year intensive language training in Australia. | |
| Year 3 (3 term) | **Overseas**. Intensive language training in-country. Business practice and business language training in-country, 1 term internship in-country. | |
| **Model 3** (For students with business experience requiring a business qualification and professional training) leading to an MBA | | |
| | **2 year part-time diploma, Australia.** | |
| Year 1 | Business administration including international trade, export management and marketing. | Experience in business |
| | End of year 1 – Intensive language training 9 week course. | |
| Year 2 | Business administration including international trade, export management and marketing.<br>**Overseas:** End of year 2: 9 week intensive language course. | Completion of Year 1 |
| 1 year | **1 year full-time MBA**<br>Intensive language training plus international business administration (in Australia and overseas) | **Completion of Diploma or Degree** |
| Year 1 | **2 year part-time MBA**<br>International business administration plus 9 week intensive language course. | |
| Year 2 | International business administration plus 9 week intensive language course overseas. | |

We emphasise that the structure we are outlining here should be seen as part of an ongoing process of training supported by both public and private sector institutions that does not culminate simply with a degree but is a continual career updating process to match industrial change. We refer again to the comments in Chapter 2 about the deficiencies in private sector industrial training and the early termination of public education for a large minority of school leavers.

One of the criticisms that has been frequently thrown at language education is that the career path for Australian language graduates is restricted very often to teaching. We believe a parallel criticism may come to be levelled at business graduates, without languages. There are signs of change for both language and business career paths because, there is a changing format to business education around the World. This format reflects to a great extent the increased concentration of capital and hence internationalization of business. For example, business schools within Europe and the U.S. spend an increasing percentage of time on language and its integration into business courses. Again the path to management level positions in even small European companies requires mastery of a foreign language. The need for foreign language training in a business context is just as great in Australia as in Europe because Australia's survival is also trade based and related to a more difficult linguistic hemisphere.

The degree structure so far outlined is also an attempt to construct a motivating structure in career path terms. It is interdisciplinary and inevitably crosses institutional demarcation lines.

The assumption that there is a standard theory and practice for the discipline of export management is doubtful. Indeed as numerous management theorists have observed management in general remains an art rather than a science. We therefore see the work experience of the third year of such a degree as experiential content feeding back to create a body of generalisations about how international trade proceeds. Certainly, the boundary between where export management practice ends and foreign language communication begins has yet to be defined. Our observations about the trading process suggest we have a new discipline within business economics in which the component of linguistic/cultural knowledge is as important a determinant of success as, for example, the rate of interest on inventories, or the cost of skilled labour, indeed it may be a major determinant of both. To give a more concrete example, we need to enquire as to the linguistic/arbitrageur skills practised by Japanese companies in Australia that make them competitively stronger than their Australian counterparts.

We have outlined above both a traditional standard three year degree framework and a framework similar to the Bond University pattern of 4 terms a year for 2 years. In this case one year is spent overseas studying business practices in Asia or Europe.

There are a number of models in Europe and the U.S.A. for the design of such training paths. Central to all of them is a year's training in-country. We would therefore strongly recommend that entry to any degree course involving business or language involves a commitment to studying overseas. Indeed it is almost an anachronism not to study a language in-country for some period of time or to study business without its international dimension.

The key elements in such models we would summarise as the following.

1. Intensive language training of between 2,400 and 2760 hours to achieve an ASLPR rating of 3 to 3+ for Japanese, Chinese or Korean. This would be modelled on best practice derived from investigation of, and participation in such courses as the following.

[Footnote. The number of hours is the theoretical maximum of 30 hours per week over 80-92 weeks.]

(a) The Full-year Asian Language Concentration Program at Cornell (6 hours per day, 5 days a week for 2 semesters. Chinese and Japanese begin with an extra 9 week course which precedes the normal 2 semesters).

(b) The 12 month intensive Japanese course of ANU.

(c) The Summer intensive courses at Monash University.

(d) The 9 week intensive at Middlebury Vermont.

(e) The RAAF Languages School, Pt. Cook, 44 week intensive.

[(a) to (d) are all award courses with a high level of credits to a degree.]

2. Business training with emphasis on subjects such as international trade law, export/import administration, international marketing and sales, overseas product liability, shipping and transport operations, etc. (See courses offered by RMIT, SAIT, QIT.), plus language maintenance.

3. Industry experience within the course structure, combined with external study in languages and trade.

4. Course to be offered as a degree by at least one university in each state in conjunction with overseas universities. Standards for assessment set by external body:-

| | |
|---|---|
| Language | e.g. NAATI, (business interpreting or similar.) |
| Business | a board of assessment composed of academic and industry representatives. |

5. Course open to following groups

(a) Native Australians following normal matriculation procedures into university.

(b) Personnel already working in industry and able to take leave to pursue a course such as the one below.

(c) Overseas students for whom the intensive language element might be English.

(d) Migrants with sufficient command of an Asian language to enter at the end of year one, on completing proficiency test.

(e) T.A.F.E. students who would receive credit for any language or business courses studied elsewhere that enable them to demonstrate by passing mid-semester tests their competence to enter the course at any point in years 1 or 2.

The above examples are used to demonstrate the importance of proven competence rather than time served for entry level.

## 4.9 EXPORT LANGUAGE CENTRES

It has been suggested by Valverde (1989)[30] that Australia might establish a Language for Export centre. The possible features of an export language centre are indicated in the details attached at the end of this chapter that describe U.K. export language centres. We would see a number of such centres as part of the solution. Australia possesses an extensive network of institutions with language skills and business skills. We believe that institutions within that network should be used as far as possible to meet the needs of businesses within their own localities, and to build connections with those businesses. Such a process might be regarded as setting up a network of export language centres.

It is certainly important that standards of language proficiency and knowledge of export marketing management be set and tested by a single body on a national level. But the paths to achieve that level need not necessarily be the same nationwide. Again, a time of government budget cutting and the amalgamation of institutions, make additional expenditure on new institutional structures unwelcome.

We primarily recommend a change in the way existing language and business resources are being used. This will involve the development of a new curriculum, but not a standardised or a static one. It will necessitate drawing on the experience of many institutions in the running of intensive language courses for spoken proficiency. It will involve the development of business coursework in export management courses. It will involve linking both the above into language for export purposes, but the quality and extent of such courses would be subject to interpretation by individual institutions. Not enough is known about language for specific purpose courses or about language learning generally to create rigid formulae.

## 4.10 STEPS ALREADY TAKEN

It is important to mention that considerable steps have already been taken by many Australian tertiary level institutions towards meeting business language needs. However many of them are still in the embryonic stage. Data on progress in this area is comprehensively covered (for Asian languages) in Ingleson (1989).

A circular letter was sent to a number of tertiary institutions as part of the current survey to clarify the extent to which language courses were being oriented to business needs.

Our impression is that tertiary institutions are rapidly gathering momentum in this direction and a number of language courses have been functionally oriented for a considerable period of time. However, in only a few cases are there clear indications of a closure of the gap between the academic sector and industry such as might resemble the U.K. export language centres. Nor does there seem to be much restructuring to enable more intensive, communicative, and needs oriented programs to be developed.

Our objective in the preceding paragraphs has been to describe an approach or perspective to changing the way foreign languages are taught across the system. We have not attempted to fill in details but rather to question the assumption that has now become fashionable that all that is required is **more** language teaching.

If there is to be more then it must be different, in its institutional context, in its content and method, otherwise it will no more succeed in making Australia a better exporter to Asia, than a concentration on French made us a better exporter to Europe.

## EXPORT LANGUAGE CENTRES AS A POSSIBLE MODEL

We have listed below some brief notes indicating one possible way in which the education sector can build bridges with industry.

*Want to break into*
*a new overseas market?*

You'll need to know about the relevant cultural and business background. You may need language skills for negotiation, and knowledge of trade rules and customs and freight regulations.

You may require help with finding a local agent, in dealing with documentation and with interpreting for foreign visitors.

Maybe you want to attract increasing business from abroad. Telephonists will need to handle foreign enquiries. Telex operators will have to deal with shipment messages. Trade literature will need translating.

EXPORT CONSULTANCY
AND ADVICE
HELP WITH
DOCUMENTATION
FOREIGN LANGUAGE
TRAINING
TRANSLATION AND
INTERPRETING
COUNTRY BRIEFINGS
AND BUSINESS
ETIQUETTE

# LANGUAGE-EXPORT CENTRES WILL

# HELP YOU

Our staff will visit you and carry out a training and needs audit. We will identify who would benefit from training and what kind of advice and information would help you most.

We will help you research markets and tackle documentation. Everything will be specifically designed to provide solutions to your particular needs in winning more business abroad.

Ring your nearest centre and find out how LX can help your firm excel

# UNIVERSITIES WORK FOR EXPORTS

## Universities can help you export world-wide

This leaflet can only shown a few examples of universities working to help the business community sell and communicate world-wide. Your local university will have similar schemes.
Contact them and find out.

# EXPORT SERVICES

A national network of centres (The LX Network) has been set up by the DES to help firms boost their exports with a blend of export consultancy and language training. The centres (see list overleaf) many based in universities, bring together higher education and business organisations to provide support, tailor-made for individual firms. In addition, U.K. universities can help with short-term planning and consultancy services to potential exporters.

Bradford's European/Latin-American Research Unit, for example, provides commercial briefings on Latin-American business and trade.
At Durham the Small Firms Export Programme has loaned graduates to large numbers of local potential exporters. They, supported by the Business School, will research possible avenues of export growth - a valuable aid when manpower and time are at a premium.
Detailed evaluation of overseas markets is essential and Manchester Business School can provide project teams to do the work. The school is also part of a Major Projects Association scheme sponsored by the ESRC to help selected companies improve their strategic positioning overseas.
Management teams can hammer out their export strategies at the LSE where impartial analysts organise `decision conferencing' in the Pod, a secure, high-tech, soundproofed conference facility (*below*).

The Transatlantic Business Project run by the University of Ulter's Northern Ireland Small Business Unit can help forge business links with the American market. It gives participants up to 6 months working experience in Boston businesses and is linked into a management development programme run by Boston College Management Centre.

Or perhaps you just need background information: Newcastle has a library of Japanese science and technology periodicals and company reports, which is unique in this country.

You can also do courses. The University of Wales College of Cardiff runs a practical course in export finance aimed at the small, first-time exporter; Newcastle has a diploma in European financial analysis backed by the EC; and University College, London runs a variety of courses on legal aspects of exporting including intellectual property and taxation.

## Language & Translation

A recent MORI poll revealed that more than 60% of British executives cannot speak a foreign language well enough to do business abroad. The universities can help.

Many university language departments offer short courses to teach languages for business or to sharpen-up existing skills. Schemes can be tailor-made to fit particular needs and taught in-house. Groups are mostly small and the courses intensive.

Most languages are available. Leeds teaches Arabic languages to businessmen setting up in the Middle East; London's School of Oriental and African Studies can put the expertise of its 170 specialist staff at your disposal for Japanese, Chinese, Korean, South-East Asian, African and Middle Eastern Languages; the Joint East Asia Centres set up by Durham and Newcastle, and Sheffields Asia Pacific Business Services Unit can also help companies in the North and the Midlands. In Northern Ireland, the University of Ulster's Flex courses and services at Queens University, Belfast can help businessmen and civil servants with languages and translation and can even offer `French' without tears.

Universities can help with technical translations too. Integrated Language Services at Heriot-Watt University, for example, provides commercial and technical translations, simultaneous interpreting facilities and personnel for meetings and conferences in West European languages, Russian and Arabic.

## Cultural etiquette

What to eat at a business lunch in the Middle East? Why do the Japanese take so long to sign deals? How do the French do business on the phone? Just knowing a foreign language is often not enough to close a deal. The Universities can help.

Courses on the local customs, business practices, socio-economic and geographic factors of overseas markets are offered in many universities. Leeds has breakfast seminars on Chinese commerce and culture; Nottingham is helping professionals in engineering, law, pharmaceuticals and other fields to understand European ways of doing business; SOAS is an official training centre for British and West German diplomats and gives extensive briefings.

And what about phoning in French? Leeds has an award winning video, ~Allo, Oui!' which gives all the answers.

## Europe in 1992

Naturally many business people are interested in how to exploit the opportunities of 1992. The universities can help.

Some of the arrangements already described will help potential exporters to Europe but there is much more on offer. King's College London, for example, has total immersion and semi-intensive French courses for businessmen conducted in London and Paris.

Consultancy is available from many universities. For example, Bradford's European Briefing Unit and the University of Keele give training on the single European market and on specific sectors and national markets within the EC. If you want to teach yourself, try Keele's new interactive video-disc on the business opportunities opening up in Spain, the Community's newest member.

Negotiating the maze of European civil, contractual and financial law is easy with the Exeter University Centre for European Legal Studies, an acknowledged centre of excellence on European law. Strathclyde

University's European Research Centre has on-line database of financial assistance schemes in each EC country.

Glasgow University's European Contracts Information Service can offer more direct business aid by giving companies same-day details of new contract opportunities throughout Europe.

On a more technical note, Strathclyde Technology Transfer Ltd is building a European network to help small to medium sized enterprises with technological and marketing aspects of exporting to Europe; and Leeds is using geographical information systems to provide an important market intelligence resource for companies planning European expansion.

## Overseas consultancy

UK university expertise is often drawn on by foreign governments and industrial concerns to solve problems abroad.

Experience and contacts gained overseas during these assignments are invaluable to UK exporters. They may be of help to you.

Universities have staff who have worked abroad on a wide range of projects. In the deserts, for instance, research by London's imperial College into the camels cooling system and the efficiency of draught animals may lead to more effective handling and breeding, while Aberystwyth is developing a super bean to copy with the harsh Middle East climate.

Swansea geneticists are also maximising food production. With a Philippines university they are producing tilapia, (an important food fish) which are all of the male sex, thereby preventing reproduction and allowing them to grow much larger.

Many universities are expert in soil fertility, crop yield and plant disease resistance in developing countries. Others are dealing with technical and practical projects like Cardiff's design, manufacture and installation of a test facility for solar energy equipment for the Dominican Republic and Heriot-Watt's low cost, low volume water sanitation systems for use in arid zones.

Some universities have special groups looking into the whole framework of overseas development. Such a group at UEA, for example, is looking at the management of land resources in Africa and the provision of a national recovery plan for Ethiopia and the Sudan. Loughborough, on the other hand has a group which specialises in just one area of development. The Water Engineering and Development Group provides research and training on the planning, provision, operation and maintenance of water supplies in Third World arid zones. Researchers from Bangor in Wales don't have to worry about lack of rain. They have teamed up with French and Dutch universities to study tree top growth in French Guyana - in the rain forests. Salford's civil engineers, meanwhile, are working in the tea plantations of Sri Lanka to rehabilitate mini electric power stations used to run the equipment which processes the leaves which go into our cuppa.

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# Chapter 5

## REVIEW OF THE LITERATURE

The review of the literature broadly reflects Part I and the four main objectives designated in Part II of the report.

### 5.1 LITERATURE RELATING TO THE SURVEY (PART 1)

In reference to Part I, i.e. the survey, we were concerned to establish what work had already been carried out in the field of survey design and methodology for the purpose of eliciting the language needs of industry and commerce.

It was noticeable that work in this area in the U.K. had commenced at least as far back as 1974 with the extensive two year study by Emmans, Hawkins and Westoby at York University.[1] It is perhaps pertinent to quote part of the introduction to that survey:

> *"While investment in education is the best investment we can make for the future of our nation, the funds required for a massive expansion of teacher training and teaching in the language sector would be infinitesimal in relation to the return in cultural, political and economic terms. One thousandth part of our investment in either Concorde, the Channel Tunnel or a third London Airport, if placed in language training, would produce a return out of all proportion to the outlay".*

This perspective was to be continued in succeeding years in a number of publications examining the problems related to elucidating language needs and the design of questionnaires for that purpose. In the former category was the extensive work undertaken by the Council of Europe (Richterich and Chancerel 1977[2] and Richterich 1983[3]).

In the latter category was a publication by Freudenstein, Beneke and Pönisch in 1981, *Language Incorporated*[4] part of which looked at responses to questionnaires on language learning in German industry. In the same category and focussing entirely on questionnaire responses, a valuable contribution to the literature was made by Stephen Hagen's *Languages in British Business* 1988.[5]

The above were some of the guidelines that influenced our own questionnaire design in its initial stages. However it should be appreciated that published materials in this area are considerably more than we were able to review within the time available. This is particularly true of material in the U.K. We recommend here the extensive bibliography published by CILT, on Foreign Languages in Industry and Commerce, as a guide for anyone undertaking further research.

### LITERATURE RELATING TO CHAPTER 1: DIRECTIONS OF THE AUSTRALIAN ECONOMY

There has been a wide swathe of reports and studies on this issue both at the international and national level. Standard works outside Australia are the bi-annual O.E.C.D. Economic Surveys of each O.E.C.D. member country.[6] These are valuable both for their overall economic prognosis on matters relating to the economy as well as on specific sector issues such as overseas trade, and the contribution of the education, manufacturing and primary commodity sectors.

Particularly useful at the national level for relating Australia's lack of investment in language training to a broader educational framework and to her overall economic malaise were three volumes: *Wealth from Skills* by the Australian Science and Technology Council 1987;[7] *Manufacturing Industry Revitalisation 1988;[8] and Industry Training in Australia* 1988.[9]

Sources too numerous to be detailed here mention the change in direction of Australia's trading interests from the western hemisphere to the Pacific rim. Two documents of very recent vintage and relevance were Europe 1992[10] and the papers of the October 1989 Australia-Japan Business Co-operation Committees.[11] Included in the latter was a significant paper entitled *Impact on Australia and Japan of Economic blocs* by J.D.S. Macleod. This reflects a concern mentioned quite frequently in the business press. It is a factor which will make the need for maximising Australian export language skills even more imperative in order to overcome trading barriers consequent on economic power blocs.

## LITERATURE RELATING TO CHAPER 2: MANAGING NEW MARKETS

Throughout the process of preparing this report we continually encountered the theme that culture was as important an element as language in determining the success of business overseas. There is certainly considerable literature on the necessity for cultural knowledge in achieving business success. We recommend an article by Bush-Bacelis on Cross-Cultural Training for Business: Current State of the Art and Bibliography 1986[12]. It does not claim to be an exhaustive bibliography and it has a U.S. orientation, nevertheless it is comprehensive. The significance of cultural factors is discussed mainly in Chapters 2 and 3 of this report. Within the limits of the literature we were able to cover, it is apparent that the term culture has a very wide embrace indeed, ranging from the conventions governing the lay-out of computer manuals to the consequences of incorrect table manners in the Middle East.

Less academic than Bush-Bacelis, more anecdotal, and perhaps a more practical approach is found in many of the management journals. The articles occuring in that context are also listed in the general bibliography.

The documentation on the importance of language in trade is as comprehensive as that for cultural awareness. The Japanese have perhaps a better appreciation of this importance than the Americans, Australians or Europeans.

> *"...the Japanese executive is given more encouragement to learn Chinese than any other foreign executive. Indeed, 87% of Japanese companies agreed that it is important for the chief representative or senior manager to speak Chinese well compared to only 43% for E.E.C. companies. Japanese chief representatives in China are experienced executives with an average of 17 years service with the company and over 7 years experience of China business. Americans in contrast, have an average of 9 years service with their company and 5 years experience of China business."*[13]

As Campbell's survey of 115 foreign companies in Beijing showed, what distinguishes the Japanese from the Europeans and Americans is the degree of their commitment to the export culture.

Another theme that was frequently reiterated was the internationalisation of management culture and its implications for language training programs.

The last two decades have seen considerable resurgence of interest in the concept of the entrepreneur. It has been popularised by writers on management such as Drucker, been re-explored extensively by academic economists and business schools and reinstated as worthy of subsidy by a number of O.E.C.D. Governments.

One of the themes of this report is the international dimension which has been added to entrepreneurship. (Here we are using entrepreneurship to include not just innovatory, arbitrageur and risk-taking skills but also functions of management and marketing.)

This international dimension has been given substance by Maddox and Short in 'The Cultural Integrator'[14] and by many others.

An extensive literature now exists on approaches to training for this new international management role, particularly in the U.S.A. and U.K. A particularly useful source for models and innovations in this field are a succession of conference papers from the Proceedings of the East Michigan University Conferences on Foreign Languages for Business and the Professions.

What perhaps is most in question here is the timelag between recognising the need and implementing it. Thus Professor Whitehill observes:[15]

> *"Americans are not noted for their competence in foreign languages. Only a handful of mature executives who are at a decision-making level are fluent, or even reasonably coherent in a second language — particularly those of Asian countries. The plain fact, therefore, is that we must wait for the next generation ... Fortunately, rapid progress is being made in Amercian high schools and colleges in adding Asian language courses to the traditional European offerings ... there is every reason to expect a higher level of foreign language literacy among the new breed of American managers".*

The key cultural concept in this report is perhaps the export culture. The Hughes Committee 1989[16] report is particularly significant for its emphasis on the importance of the export culture, and also on the difficulty of creating it directly. Thus,

> *"Education for export marketing is underdeveloped at both the technical and management level. It is growing very slowly. Managers' grasp of the content of an export culture is weak. Trading companies, with hands on experience in exporting are lacking. Only a few of those who met with the Committee or contributed submissions thought that success in exports was largely in their own hands. Many were still inward oriented; they thought that because exporting was difficult Government subsidies were essential.*
>
> *Imbuing management and labour with an export culture is essential to a growing export effort, but both are very difficult to affect directly. The most effective approach is through changing incentives to make unit profits in exporting as high as in the domestic market. Most Australian markets are too small to enable Australian businesses to make large total profits. To become profitable on a large scale most Australian businesses eventually have to go overseas."*

Another frequently recurring theme in this study was the problem of factoring out difficulties caused by a lack of linguistic and cultural awareness from other obstacles to trade such as establishing a market presence or conducting market research.

There exist a number of reports which look at this issue, among others, either explicitly or implicitly. Notable among them are the Reviews of the EMDG Scheme final report from Price Waterhouse Government Liaison Services 1988,[17] and the Hughes Committee Report of 1989.[18]

## LITERATURE RELATING TO CHAPTER 3: ESTIMATING LANGUAGE NEEDS

For this chapter considerable reliance was placed on our own survey of 15 Austrade posts in N.E.S.C. and on Austrade's own literature for the benefit of exporters. Of particular note were Austrade publications on the Export Award Winners.[19]

Also relevant were a number of publications on maintaining European as well as stimulating Asian language studies and the value of used and unused language resources in the migrant community.

Estimating language needs is a two sided coin. On one side is the problem of defining those needs. This has been attempted in our main and subsidiary questionnaire. The other side of the coin is the question of how the needs are to be met, either by drawing on existing language skills in the community or investing in language education programs. The latter is examined in more detail in Chapter 4.

## LITERATURE RELATING TO CHAPTER 4: THE PROBLEM OF RELATING THE CURRICULUM TO THE NEEDS OF INDUSTRY

The years 1988/89 saw the publication of the two volume Asia in Australian Higher Education[20] and papers from the National Conference on teacher supply for Japanese and Mandarin in Australian schools.[21] No equivalent publications are noted for European languages.

Distinguishing features of the above publications are their commitment to a heightened investment in Asian language education across primary to tertiary sectors. Equally strong is their awareness of the deficiences of the present system. Less clearcut are proposals for managing change.

Our report drew attention to a number of alternative ways of approaching language education. All were considered within the framework of linking language education to the needs of industry and commerce.

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# PART III

# Summary and Recommendations

The purpose of this project was to review the relationship between Australia's international trade and second language competence. The review was to be conducted over a period of 12 weeks culminating in a report which focussed on the future directions of the Australian economy; the situations in which foreign language (LOTE) competence affects export performance; the consequent LOTE needs of the economy; the way those needs were to be met. The report was in two parts. Part I of the report was the survey of a selection of companies to elucidate the role of LOTES in their trading activity.

For establishing a correlation between LOTE skills and export success it was possible to use one of three approaches.

(a) One could look for a correlation between a company's export success and the number of LOTE speakers using their language skills in that company's employ.

(b) One could directly observe negotiations and solicit the views of the other parties.

(c) One could elicit the opinions based on company experience, of the significance a company spokesman attached to LOTES, as a factor in determining export success.

The first two approaches cannot be carried out over as large as sample as the second. As was indicated by the work of Emmans *et al*[1], they also require surveying company employees individually and this takes considerably more time than was available.

The third approach was therefore taken and this involved administering a questionnaire to some 2,000 companies nominated by Austrade as exporters. The return rate for the questionnaire was 25%.The results of the questionnaire are discussed in detail in Part I of this report.

That LOTE skills are positively related to export success had already been evidenced by the linkage between the export success of the finalists of the Austrade Export Award Winners in their respective categories in 1987 and the number of LOTE speakers they employed, compared to the non-finalists. The same relationship had also been fairly well established in a number of studies, mentioned in this report, in the U.K, U.S, Japan and Germany. There is little reason for thinking that Australia is excluded from the general principle that links the two.

However, the level of awareness of a possible relationship between LOTE skills and export success by Australian companies sampled in the survey was found to be very low. Questions were directed to elucidating, for example, the extent to which companies felt their exports had been negatively affected by a lack of LOTE skills among their employees and to what extent. Twenty seven per cent felt that 'occasionally' this had happened.

A further significant indicator was that, of a number of possible obstacles to trade facing our sample, lack of knowledge of LOTES was rated lowest, but obstacles related to a lack of LOTE skills, such as lack of knowledge of foreign markets were rated among the most serious. This again suggested a failure in perception by companies that language skills and market intelligence might in some way be connected.

A third finding was that even where companies did recognize the value of LOTES they were not sure which were the important ones for their own purposes. Overall it was found that nine languages were viewed by exporters as most in demand. They were

Mandarin, Japanese, Arabic, Indonesian, Korean, Thai, Spanish, German and French in approximately that order. Of the categories management, marketing, personnel, technical and secretarial staff, the first two had the greatest need for LOTES in the opinion of those companies sampled.

It was noted that though secretarial staff are normally perceived as being in the frontline of communication the firms sampled did not seem to have reached a level of exports high enough for secretarial staff to be having a significant amount of contact with foreign personnel.

The responses of the companies sampled have to be considered in the light of the generally low level of Australian exporters to NESC.

Australia's trade deficit, as the AMC[2] points out is really a manufacturing deficit and *"the penetration of overseas markets by Australian non-resource manufacturing firms is insignificant"*.

The low level of Australian exports and the lack of company interest in LOTES as a factor in export success is the essence of the relationship which the report sets out to analyse. While there is a causal connection between the two it is a complex not a simple one. As was found in the U.K surveys there is considerable division of opinion among even very similar companies. Such division of opinion was also noted in our survey of Austrade posts and among individuals with expertise in the area.

In Chapter 1 Part II of the report it was shown how internationalization of trade, industry and the division of labour has left Australia at a competitive disadvantage. This disadvantage can be related to both technical and attitudinal factors within Australian industry: for example the need for flexible production cycles, quality management, a bottom-up as well as top-down initiation of process improvements. These are necessary but not sufficient conditions for improving Australia's export performance. An equally necessary condition is improving the manner in which Australia interacts with the international marketplace in terms of attitudes and communication skills.

At the moment as the Hughes report notes:[3]

> *"Education for export marketing is underdeveloped at both the technical and management level. It is growing very slowly. Managers grasp of the content of an export culture is weak"*,

It is suggested that the weaknesses in Australian industry noted above stem partly from an inadequate training and education component in the private sector and a need for redirection of resources in the public sector in order to extend educational standards to levels comparable with other OECD countries, particularly in the field of LOTE training.

In Chapter 2 it was shown how export marketing differs from marketing at home. It is highly influenced by a wide range of cultural and linguistic factors that render exporting more complex and difficult. Only those with a suitable background of cultural and linguistic knowledge will be consistently successful in overseas markets.

It is mainly in the last decade that descriptions of such requisite cultural and linguistic knowledge have been published in English language managerial or academic journals.

It is incorrect to describe English as the international language of business. English is only one of at least nine major languages used by the business and scientific community. Monolingual English speakers are disadvantaged in the international community in respect of access to business or scientific information since those persons who speak one of the major international languages together with English have access to greater information resources. This disadvantage may be part of the explanation for the relative lack of exporting success of Australia, New Zealand, the U.S.A. and U.K. since the growth of other major non-English speaking economies.

In Chapter 3 we describe our survey of fifteen Austrade posts in non-English speaking countries undertaken to gather Austrade perspectives on language needs. Each country has its own trade profile which will determine the requirement for interpreters/translators, agents and trading companies, and knowledge of the local language needed for export success.

The essential factor is that business success depends on having a marginal advantage over your competitor. That advantage can take many forms of which knowledge of language and culture is an important one.

Our survey of newspaper advertisements for positions requiring foreign languages indicated a wide spread of occupations and a significant growth in demand over the last decade. Australian industry is characterised by niche products and markets which make it difficult to generalise about demand for language skills in particular sectors. Data from the Austrade Export Award winners indicates that primary producers, manufacturing and services are equally likely to need foreign language skills in the major languages.

Chapter 4 of the report discusses the reasons for linking language training in the public education sector more closely to the needs of industry. This will involve developing new approaches to language instruction based on models from many sources. These models may include private sector and in-company language training practised in Europe and elsewhere.

To link language education to the needs of business will require changing both the content and methodology of teaching and the institutional frameworks in which it functions. This report entirely supports the increased commitment to language teaching as stated in the Ingleson[4] and Garnaut[5] reports. But it emphasises the necessity for considerable efforts by both private and public sectors to change traditional institutional structures within education if LOTE training is to meet the requirements of industry and commerce.

In preparing the recommendations we were aware of the comprehensive range of recommendations already made in the Ingleson report, which, if implemented would mean a considerably larger commitment Australia wide to the teaching of Asian languages and culture. Inevitably some of the recommendations made reiterate those of the Ingleson report. However there are a number of differences.

Our brief was to consider in particular the nexus between language and trade and this with reference to all languages.

A further difference is related to the emphasis on the need for changes in motivation and the institutional structures within which change is to occur. In our report we have drawn attention to the extent to which the criteria of language proficiency and client need governed the provision of language services for industry by the private sector in the U.S. and Germany. We also drew attention to the fact that industry in those countries turned to the private sector when it required language training for its personnel because it found its needs met more efficiently. In the Ingleson report, apart from a reference to a proposed "self-funding Commercial Languages Centre" to be established in Victoria, little mention is made of the relationship between funds invested and benefits derived.

The Ingleson report emphasised the importance of further funding for Asia related studies. While endorsing that position we question the extent to which that funding will flow through to improved performance in the business sector; how results of such increased commitment are to be measured and evaluated and the rate at which change will occur.

In addition we emphasize that the need relates not only to Asian languages and cultures but to others, especially the 9 major languages listed earlier, as well as to the languages and cultures of all countries to which Australia could export.

There are two main ways in which courses can be evaluated in relation to funds received. One is by their ability to self-fund their own operation. The second is by performing effectively on a nationally established objective scale in competition with other institutions, for available funds. We doubt that simply increasing funding will necessarily increase the effectiveness with which language departments organise their courses. There are many examples of cases where institutional inertia has slowed change that could have taken place a decade earlier. A few are noted below. Thus, it is, with the exception of the ANU, only very recently that the intensive one year language course model was introduced. Again, Australian schemes to place language students in-country compare unfavourably with more organised schemes in the U.S. and Europe. Thirdly course types, goals, methods and assessment procedures tend to favour traditional approaches with insufficient focus on practical skills that complement other studies. Fourthly there are few courses of sufficient duration or intensity to ensure the attainment of useful proficiency levels especially in languages started at tertiary level. As the Ingleson report notes:[6]

> "the normal undergraduate language subject has between 5 and 8 teaching hours a week .... The estimates for achieving basic proficiency in Japanese, Chinese, Korean and Arabic is almost five times more than our undergraduates can expect".

Finally, compared with other countries there have been relatively few attempts to integrate language study with other vocational training or to develop vocationally related language courses.

There is therefore reason to suppose that increased funding will not be used to maximal efficiency unless stimulated by the challenge of passing students through a nationally recognized system of language proficiency testing adjudicated by an external body such as the language testing units of the Languages Institute of Australia or, for translating and interpreting skills, NAATI.

## RECOMMENDATIONS

### General Recommendations

1. That account be taken of the establishment of Europe as the Worlds largest developed country trading bloc and hence that both European and Asian business languages be fostered.

2. That student achievement of minimum standards of oral proficiency in nationally administered tests be taken into account in making additional funding available to institutions in the public sector.

3. That measures being taken, such as the offer of supplementary funding, to encourage tertiary institutions to introduce a greater variety of modes of language instruction particularly more intensive courses, as alternatives to the standard degree structure.

4. That programs are devised in which the development of LOTE skills to useful levels of proficiency is seen as complementary to the development of other vocational skills.

### Recommendations Relating to Business

1. Further investigation be undertaken into provisions for business language training in both public and private sectors in other O.E.C.D. countries.

2. The Languages Institute of Australia (L.I.A.) be requested to coordinate activity and disseminate information about language, trade and export language services. This would be aimed primarily at assisting export language programs at different localities in Australia. A unit should be established within the L.I.A. to carry out this function, such as the recently established Centre for Applied Linguistics and Languages at Griffith University.

3. The development of export language programs and workshops in local centres, to provide services to local business in the areas of export consultancy and advice, market research, help with documentation, LOTE training, translation and interpreting, country briefings and business etiquette. These programs will draw on local skills from universities, colleges, NAATI, business organizations, Austrade representation, and might be loosely coordinated and networked through the L.I.A.

4. Further research should be undertaken overseas in investigating the problems of language and culture encountered by businessmen in the overseas market. This would include research into how successful companies have made headway in non-English speaking countries. Consideration should be given to the kind of initiatives such as that taken by the marketing department of Sydney University of Technology which placed business students in the Korean market to undertake practical research on behalf of Australian companies.

5. The development of more exchange programs between Australian business and educational institutions and those in non-English speaking countries, for example, those recently surveyed by the Australia-Japan Economic Institute.[7]

6. The widening of training for, and provision of, translator/interpreter services to meet the needs of Australia's business community and overseas trading relations. This would include a widening of the scope of the Telephone Interpreter Service to provide services to business as well as to immigrants.

7. Further research to be undertaken into the extent to which Australian businesses take advantage of non-Asian LOTE skills possessed by their Australian employees and the extent to which non-Asian LOTE users are recruited by Australian companies because of their language skills.

   This would include investigation of the level of industry awareness and use of existing LOTE services either in the private or public sector, e.g. utilisation of intensive short language courses, interpreter/translator services, LOTE services provided by import-export agencies within Australia or by trading companies.

8. The further development of joint degrees combining business disciplines and other vocational training, with language study conducted intensively.

9. The encouragement of company internships for business students in company branches overseas.

10. The investigation of internship arrangements for students of international business as currently offered in the U.S. and Europe.

11. A change in emphasis in scholarship, research and exchange initiatives from an academic orientation in regional economics, politics and strategies studies to the more practical needs of business and export development.

12. Within the framework of government export grants to business, incentives should be given for encouraging industry to participate in trainee programs for business undergraduates or others on industry related tertiary courses that include developing LOTE skills.

13. We recommend that for the immediate future DEET encourage and facilitate the offering of in-service courses directed at reorienting tertiary business courses towards a more international content through the inclusion of language and cultural awareness training. This could be achieved by drawing on the experience of European university business schools, industry and the pioneers of business language courses in Australia.

14. We recommend administration by the National Languages Testing Unit in conjunction with NAATI of tests appropriate for assessing LOTE skills for business and industry purposes.

15. We recommend the L.I.A. be empowered in conjunction with NAATI to set national objectives in respect of curricula and testing. In addition the L.I.A. should be empowered to ensure that innovatory state initiatives, for example developments in curriculum design and the Commercial Languages Centre of Victoria are made available to other states.

16. We recommend that tertiary education institutions be encouraged to monitor and assess language teaching programs in conjunction with the L.I.A. and NAATI. Within such assessment procedures particular attention should be given to the attainment of practically useful proficiency levels; language training for industry and commerce; curriculum development for business languages; promotion of intensive language courses for business and other vocational purposes; and the development of innovative approaches that result in more effective and vocationally useful language learning.

17. We recommend that the L.I.A. through a specialist unit and a network of export language centres maintain a data base for industry and commerce of translators and interpreters with levels of proficiency and specialist skills and experience; commercial consultants with LOTE skills; a directory of language courses oriented to business and industry needs.

18. We recommend that the L.I.A. in conjunction with the Confederation of Industry or Chamber of Commerce for each state publish a listing of language services available to exporting companies. This and recommendation 17 should be carried out in cooperation with the export language centres.

19. We recommend the development of training courses for language testers, that will be administered through the L.I.A. It would be open to experienced teachers and teacher trainers and to others with suitable qualifications as part of the implementation of a national system for proficiency assessment. The aim would be to establish a body of accredited language testers analogous to the body of translators and interpreters accredited by NAATI who would be available to assess and advise on language needs and to assess individuals' language proficiency whether for the purposes of employment, salary loading or the national system of proficiency assessment.

20. We recommend the production of a video on the importance of languages in trade and industry for distribution to interested companies.

21. We recommend investigation of the possibility of introducing pre-tertiary entrance intensive language courses, where intending students wish to undertake a degree with a language component.

22. We recommend that salary scales in industry recognize language proficiency as a remunerable vocational skill.

### Recommendations Relating to the Language Teaching Profession with Particular Reference to the Needs of Industry and Commerce

1. We recommend the development of a career structure for LOTES teachers that will reflect the increased importance of teaching LOTES and the increased significance of Australia's international trading skills.

   At secondary level this would include for example special award payments in the school system to those who are sufficiently conversant in a LOTE and another discipline to conduct 'immersion' classes.

2. We recommend that proposals advocating the reintroduction of compulsory language studies in primary and secondary education be conditional on certain minimal standards of staff qualifications, LOTE proficiency levels, availability of resources and sufficient funding in schools prior to introducing such measures. These should be monitored by the L.I.A.

3. We recommend that the L.I.A, perhaps through its specialist centres, draw up a variety of models for intensive language courses. These should draw on expertise from established successful intensive courses such as the twelve month intensive Japanese course at ANU, courses at Cornell, and elsewhere.

4. We recommend that credit should be given for units undertaken in Asian or European institutions which involve language study. The value of such credit should be measured in terms of language proficiency achieved.

5. We recommend that more opportunities be available for teachers to receive in-country training in Europe and Asia and that all language teachers and other language majors be required as an integral part of their training, to spend at least one semester studying or working in a country where their target language is spoken.

6. We recommend the provision of registration requirements and policies that will enable those with unused language skills or overseas qualifications in teaching to gain recognition for those skills. Such provision might include special teacher registration with further opportunity to gain normal registration. Provision should also be made for teacher acculturation to the Australian teaching environment through purpose-designed bridging courses of sufficient duration, desirably at least two semesters, to ensure thorough acculturation.

7. We recommend the production of a video and other documentation for use in schools on the value of language study and career opportunities open to those with LOTE skills.

### Recommendations Relating to Students with Bilingual Skills

1. We endorse the recommendations of the Ingelson report that one tertiary institution in each state provide courses which cater for students with bilingual skills in major European or Asian languages. This recommendation should be effected through the granting of advanced standing in a degree to persons with high levels of proficiency in a language, where that language can form part of the degree program.

   This might facilitate an increase in the number of business graduates who are thus encouraged to take advantage of their bilingual skills and enter programs for which they might have otherwise been deterred from entering.

2. We recommend research into ways in which the bilingual skills of the school leaving population can be utilised to encourage their taking higher education studies in situations where they might not have otherwise done so. This is in accord with the O.E.C.D. Australia Economic Surveys recommendations for a higher percentage of the school leaving population to participate in higher education.

3. We recommend that further investment be made, possibly under the guidance of the L.I.A. to enable Australia's bank of unused migrant language skills to be utilised as valuable ancillary vocational skills. This process would involve bridging courses to assist entry into the workforce by migrants with LOTE skills & vocational skills through relevant higher or further education courses.

   Such courses would require:

   - an acculturation program where necessary
   - updating of vocational skills
   - relevant E.S.P. and E.A.P. courses to enable employment related study.

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# APPENDIX I

## Data Collected from Telephone Survey of 50 Companies

**FACTUAL INFORMATION:**

State: N.S.W.
Company Size: 0 - 50 employees
% of exports to NESCs: 70%

| Use of agents: | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| | | | | ✓ |

Products: "Everything"

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | None | | |

**Comment:** The informant advocated forgetting foreign languages in favour of teaching students to speak English well since it is the world language!

**FACTUAL INFORMATION:**

State: N.S.W.
Company Size: 0 - 50 employees
% of exports to NESCs: 50%

| Use of agents: | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| | ✓ | | | |

Products: South Pacific Media

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | French, German, Japanese | | |

**Comment:** A foreign language should be compulsory at high school with a wider range of languages being offered. Informant saw a great future need for foreign languages.

## FACTUAL INFORMATION:

State: N.S.W.
Company Size: 0 - 50 employees
% of exports to NESCs: Not known by informant
Use of agents: Totally Substantially Moderately Not at all

Products: Metals and minerals

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | English | | |

**Comment:** Informant felt foreign languages were not important since English was widely spoken. There were no problems.

## FACTUAL INFORMATION:

State: N.S.W.
Company Size: 0 - 5- employees
% of exports to NESCs: 100%
Use of agents: Totally Substantially [✓ Moderately] Not at all

Products: Frank Exports

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | French, German, Spanish | | |

**Comment:** The informant spoke French and German himself and used the Spanish Chamber of Commerce occasionally. He was in favour of a foreign language being compulsory and saw Japanese and other Asian languages as well as the European languages as being important.

## FACTUAL INFORMATION:

State: N.S.W.
Company Size: 0 - 50 employees
% of exports to NESCs: Not known by informant
Use of agents: Totally [✓ Substantially] Moderately Not at all

Products: Building projects — engineering consultancy.

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Spanish, Japanese | | |

**Comment:** The company's representatives who are sent overseas on long term projects usually pick up the foreign language on the job. The informant felt that an Asian language should be compulsory at high school.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | N.S.W. | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | "High proportion" | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | | ✓ | |
| Products: | Opal jewellery | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | | ✓ |
| Which languages are most important for you? | | | |

**Comment:** The company had three foreign language speaking personnel. It has not been disadvantaged because it possessed resource. The informant felt it was important to make a foreign language compulsory at high school.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | N.S.W. | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | 5% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Furnishing fabrics, government fabrics. | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | Asian | | |

**Comment:** The informant felt that her company hadn't been disadvantaged but that a knowledge of a foreign language could make a critical difference and that a foreign language should be compulsory at high school.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | N.S.W. | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | High proportion | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | | | ✓ |
| Products: | (Nelson & Robertson Pty Ltd), also Litola Pacific | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | None | | |

**Comment:** English is widely spoken. The company has not met any problems. The informant felt it was important to develop foreign languages at high school. The Company ventured into the Middle East market but failed, but not due to lack of language.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | N.S.W. | | | |
| Company Size: | Not known by informant | | | |
| % of exports to NESCs: | Not known by informant | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Steel products | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | European and Asian | | |

**Comment:** The informant said several staff members spoke foreign languages but they weren't employed on that basis. Said "English was the international language of business".

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | N.S.W. | | | |
| Company Size: | Not known by informant.<br>"Major industrial company" | | | |
| % of exports to NESCs: | High proportion | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Paper sack | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Asian | | |

**Comment:** The company's agents speak both English and the local language. The company has an Asian on staff and access to other language facilities. Informant felt it was important to introduce foreign language at high school but queries the number of students end up in trading.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | VICTORIA | | | |
| Company Size: | 2500 Employees | | | |
| % of exports to NESCs: | 95% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | ✓ | | |
| Products: | Cement, bricks, building products | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | French, German, Arabic, Asian | | |

**Comment:** The informant said he had "picked up French, German and Arabic on the job". He said that while the company's distributors speak English the ability to speak a foreign language leads to increased rapport, important for trade. The development of foreign language skill starts at high school and takes years of study.

## FACTUAL INFORMATION:

State: VICTORIA
Company Size: 0 - 50
% of exports to NESCs: 100%
Use of agents: Totally Substantially Moderately [✓ Not at all]
Products: Processed Abalone

## Attitude to Key Questions:

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Italian, Japanese | | |

**Comment:** The informant said the boss speaks the languages of the two countries to which his company exports.

## FACTUAL INFORMATION:

State: VICTORIA
Company Size: 0 - 50
% of exports to NESCs: High proportion
Use of agents: [✓ Totally] Substantially Moderately Not at all
Products: Goods, services, technology.

## Attitude to Key Questions:

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | | ✓ |
| Which languages are most important for you? | Chinese & other Asian | | |

**Comment:** The informant maintained that access to foreign language was very important — either via the agent or the consulate. Foreign languages should be developed because they were **very** important but they were not employed on that basis.

## FACTUAL INFORMATION:

State: VICTORIA
Company Size: 0 - 50 employees
% of exports to NESCs: Very high proportion.
Use of agents: Totally [✓ Substantially] Moderately Not at all
Products: Scrap metal & Wine

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | European and Asian | | |

**Comment:** Informant said the ability to speak a foreign language would help but is not necessary because business negotiations are in English.

## FACTUAL INFORMATION:

State: VICTORIA
Company Size: 3,000 employees (throughout Australia)
% of exports to NESCs: Fair proportion

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of agents: | | | ✓ | |

Products: Glass sheets

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Korean, Japanese, other Asian | | |

**Comment:** This company's buyers are big organizations. Language is not a barrier since English is used. However, a knowledge of foreign languages is important — any edge is crucial in competition.

## FACTUAL INFORMATION:

State: VICTORIA
Company Size:
% of exports to NESCs: 95%

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of agents: | | ✓ | | |

Products: Sausage casings

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | Japanese, German | | |

**Comment:** Language is not a problem with the way the company is set up — with the Japanese buyer having an office with an English-speaking representative in Melbourne.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | VICTORIA | | | |
| Company Size: | 0 - 50 | | | |
| % of exports to NESCs: | High proportion | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | ✓ | | |
| Products: | Consultancy for setting up steam-powered electric generating stations. | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Indonesian, Chinese, Japanese, Spanish | | |

**Comment:** The informant emphasized that although English was well-spoken everywhere, Chinese, Japanese and Indonesian were important and Australia had to come to grips with foreign languages. The ability to speak a foreign language differentiates you with the competition. The competitors for this company are German, American and Japanese companies. The company views second language skills favourably in offering employment.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | VICTORIA | | | |
| Company Size: | 270 employees | | | |
| % of exports to NESCs: | High proportion | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | ✓ | | |
| Products: | Conveying belting | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | | | |

**Comment:** The engineering staff of foreign companies have been educated overseas and speak English well. The informant does not feel the ability to speak a foreign language would make a critical difference. It is more important to know the culture of the country you're dealing with and to have competent agents. The "almighty $" is the main determinant.

## FACTUAL INFORMATION:

State: VICTORIA
Company Size: 0 - 50 employees
% of exports to NESCs: 1%
Use of agents: [✓ Totally] Substantially Moderately Not at all

Products: Pumps for commercial and rural use.

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | French, Asian, Arabic | | |

**Comment:** Informant said all the countries spoke English. The biggest problem for his company was isolation, and competition from Europe.

## FACTUAL INFORMATION:

State: VICTORIA
Company Size: Not known by informant.
% of exports to NESCs: 2%
Use of agents: Totally [✓ Substantially] Moderately Not at all

Products: Electrical engineering equipment

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | German, French, Chinese, Japanese | | |

**Comment:** This company is part of a network of companies. English is set down as the language of transaction. The technical language to do with electrical components is standard, and terms & conditions of sale are well understood on the international market e.g. F.O.B. — free on board. Informant sees Japanese and Chinese as important foreign languages — a knowledge of these could make a critical difference in trade in general.

## FACTUAL INFORMATION:

State: VICTORIA
Company Size: Not known by informant
% of exports to NESCs: 5%
Use of agents: Totally [✓ Substantially] Moderately Not at all

Products: Railway signalling equipment

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |

Which languages are most important for you? None specified

**Comment:** Language is not a barrier — English is used universally. Foreign languages should be taught at high school but post-schooling follow up is required which is a long-term process. The informant does not believe that knowledge of a foreign language could make the critical difference.

**FACTUAL INFORMATION:**

State: VICTORIA
Company Size: 0 - 50 employees
% of exports to NESCs: 95%

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of agents: | ✓ | | | |

Products: Tissue culture and serum

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |

Which languages are most important for you? French, Japanese, Greek, German

**Comment:** Most companies speak English but occasionally the services of interpreters are required. It would be an advantage to speak a foreign language. It could make a critical difference where Japanese is concerned.

**FACTUAL INFORMATION:**

State: VICTORIA
Company Size: Not known by informant
% of exports to NESCs: High proportion

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of agents: | ✓ | | | |

Products: Tennis strings and raw materials for surgical sutures.

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |

Which languages are most important for you? European and Asian

**Comment:** We take it for granted that English is widely spoken. We don't try to communicate in other languages but we should. Things are lost in written translation and in interpreting. The secretary who made these statements was tri-lingual — speaking English, Polish and Ukranian.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | VICTORIA | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | 50% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Lamb products | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |

Which languages are most important for you? European languages, Japanese

**Comment:** Japanese could be a problem in dealing with clients. Being able to use it would make a critical difference. It would be beneficial for future trade to make a foreign language compulsory. Foreigners make the effort to learn our language.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | SOUTH AUSTRALIA | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | 20% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | ✓ | | |
| Products: | Specialized educational courses in mining and petroleum-related subjects. | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |

Which languages are most important for you? Indonesian, other Asian

**Comment:** The company is a consultancy in the mining field. Overseas students who enrol in the company's courses have a high standard of general English. The informant stressed the importance of foreign language as basic to successful negotiation.

## FACTUAL INFORMATION:

State: SOUTH AUSTRALIA
Company Size: 0 - 50 employees
% of exports to NESCs: 50%
Use of agents: Totally [✓ Substantially] Moderately Not at all

Products: Natural sausage casings

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Japanese, German, Italian | | |

**Comment:** Although English is widely spoken, language is a barrier at times. Being able to speak a foreign language would make a critical difference. In any case it makes for better relations. Japanese should be offered in high schools.

## FACTUAL INFORMATION:

State: SOUTH AUSTRALIA
Company Size: 0 - 50 employees
% of exports to NESCs: 50%
Use of agents: Totally Substantially [✓ Moderately] Not at all

Products: Finished malt grain

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Indonesian, Spanish, Malay | | |

**Comment:** Informant said business was conducted in English with the aid of fax machines so there was no disadvantage in a lack of foreign languages but that it would be an advantage to have the ability so that you could talk to the company level workers (natives) as well as the administration. Also there was the practical advantage in getting around the country. A knowledge of the culture is very important. He would like to be able to understand Japanese. He felt to push for languages at high school would not be a backward step.

## FACTUAL INFORMATION:

State: SOUTH AUSTRALIA
Company Size: 2,000 employees (Australia wide)
% of exports to NESCs: 40%

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of agents: | ✓ | | | |

Products: Range from restricted antibiotics to consumer products like barrier creams, suntan lotions etc.

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage | ✓ | | |
| How often do you need languages? | ✓ | | |

Which languages are most important for you? Chinese, Japanese, Indonesian, German

**Comment:** The informant was very definite about the need for Australians to develop foreign language skills, despite the fact that her company is very large and markets very specialized products. (All dealings are with professional doctors and hospitals and are in English). Nevertheless she felt misunderstanding did arise and that Australians fell down in the area of foreign languages. A delegation from China had an official interpreter with it but all of its members could converse in English. The same was true of the Japanese, though they are very modest about their ability to speak English. The foreigners put us to shame. We must also make the effort to understand the taboos and customs of our trading partners. It makes for better relations. The informant urged for more Asian languages to be offered at high school, discussing her daughter's situation where Asian languages ranked low in priority.

## FACTUAL INFORMATION:

State: SOUTH AUSTRALIA
Company Size: 0 - 50 employees
% of exports to NESCs: 50%

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of agents: | | | | ✓ |

Products: Sound equipment — loud speakers (High quality Hi-Fi)

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | ✓ | |

Which languages are most important for you? German, French, Asian

**Comment:** While the informant felt that language was not a problem he was willing to admit that it would be an advantage (especially in translating his company's product reviews in German magazines). He was more concerned about problems of obtaining equity capital to expand and government policies and financial institutions that don't give support to a company he describes as a "quiet achiever".

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | SOUTH AUSTRALIA | | | |
| Company Size: | 100 employees | | | |
| % of exports to NESCs: | Not known by informant | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Orange and apple concentrates | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | None | | |

**Comment:** The informant felt language was not a problem since English was used.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | SOUTH AUSTRALIA | | | |
| Company Size: | 300 - 400 employees | | | |
| % of exports to NESCs: | 1% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Irrigation equipment | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Chinese, Japanese | | |

**Comment:** The informant said that although English was used by foreigners it was often poor and needed to be clarified. A knowledge of the language and culture would be an advantage and give a company the edge. He advocated pushing for languages at high school.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | SOUTH AUSTRALIA | | | |
| Company Size: | 100 employees | | | |
| % of exports to NESCs: | 20% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | | ✓ | |

Products: Grains

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skill been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Asian languages, Spanish | | |

**Comment:** The informant said the language was not a big problem since English was widely used. The problem related more to a knowledge of the culture you are dealing with, and an understanding of its customs. He sited the example of dealing with a delegation from Pakistan and not being aware that they (Pakistanis) didn't eat before 1pm, dash off to pray at midday etc etc. If he had known he could have made allowances and this would have enhanced relationships. He urged his Italian employees to teach their children Italian, so that they will be bilingual and thus have an advantage.

### FACTUAL INFORMATION:

State: SOUTH AUSTRALIA
Company Size: 80 employees
% of exports to NESCs: 10%

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of agents: | | ✓ | | |

Products: Water pumps for pools, spas and rural use

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Spanish | | |

**Comment:** Language was not a problem. All faxes are in English. If the company were to expand into new areas language could prove a problem.

### FACTUAL INFORMATION:

State: SOUTH AUSTRALIA
Company Size: Not known by informant
% of exports to NESCs: 100%

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of agents: | | ✓ | | |

Products: A variety of products - a shipping company

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |

| | | | |
|---|---|---|---|
| How often do you need languages? | | ✓ | |

Which languages are most important for you? Chinese, other Asian languages

**Comment:** There are local translators available in foreign countries. Language is not a worry, though it would be an advantage to speak Chinese or whatever.

**FACTUAL INFORMATION:**

State: SOUTH AUSTRALIA
Company Size: Not known by informant - branches in all states
% of exports to NESCs: 100%
Use of agents: [✓ Totally] Substantially Moderately Not at all

Products: Grains, fish, lobsters, metals

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skill been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |

Which languages are most important for you? Japanese

**Comment:** Negotiations are in English, so language is not a barrier. If the company moves into a new market a foreign language could be a problem.

**FACTUAL INFORMATION:**

State: SOUTH AUSTRALIA
Company Size: 0 - 50 employees
% of exports to NESCs: Not known by informant
Use of agents: Totally [✓ Substantially] Moderately Not at all

Products: Crayfish, prawns, octopus

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |

Which languages are most important for you? Japanese, Greek, Chinese

**Comment:** The young spokeswoman said the customers speak English and that the boss often visits Japan. Beyond that she was unable to comment.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | SOUTH AUSTRALIA | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | Not known by informant | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | | ✓ | |
| Products: | Technology of electro-photography-photocopies and inks used in equipment - very specialized | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | German, Dutch, Japanese | | |

**Comment:** Staff members speak German, which is an advantage. English is usually used but when an interpreter is called upon it slows the process down. It is equally important to be familiar with the customs and culture of the other country. The technical language involved in this company's dealings produces difficulties sometimes.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | TASMANIA | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | Not known by informant | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Onions | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | | ✓ |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Japanese, German | | |

**Comment:** Being able to speak the foreign language would be a big advantage in trade. What is learnt in high school is too little. Should be taught earlier.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | TASMANIA | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | 45% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | | | ✓ |
| Products: | Mineral product: "Scheclite" | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | German, Korean | | |

**Comment:** This company deals direct, using English. Occasionally documents require translation so at a slight disadvantage. Not a major problem.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | TASMANIA | | | |
| Company Size: | 0 - 50 employees | | | |
| % of exports to NESCs: | 100% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | | | ✓ |
| Products: | Abalone | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Japanese, Chinese | | |

**Comment:** The company's spokeswoman said the company deals directly with its customers, using English. Beyond that she was unable to comment.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | WESTERN AUSTRALIA | | | |
| Company Size: | 250 employees | | | |
| % of exports to NESCs: | 50% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Minerals and metals | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | Japanese, Chinese, Russian, German | | |

**Comment:** The informant felt that language was not a barrier, but that it would be an advantage if staff could use foreign languages. He said his company was in a unique position because the product was specialized and therefore sought after.

## FACTUAL INFORMATION:

| | | | | |
|---|---|---|---|---|
| State: | WESTERN AUSTRALIA | | | |
| Company Size: | 4,000 employees | | | |
| % of exports to NESCs: | 10 - 15% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | | ✓ | | |
| Products: | Timber and manufactured goods from timber | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Japanese, Other Asian, European | | |

**Comment:** The informant felt that a lack of foreign languages was not a problem on the commercial side because English was used via Fax machines and translation situations could be managed. However a knowledge of the language was very important to relationships. Even some language would help in extending courtesies.

## FACTUAL INFORMATION:

| | | | | |
|---|---|---|---|---|
| State: | WESTERN AUSTRALIA | | | |
| Company Size: | Not known by informant | | | |
| % of exports to NESCs: | 20% | | | |
| Use of agents: | Totally | Substantially | Moderately | Not at all |
| | ✓ | | | |
| Products: | Conveying systems — powders and granules | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | Japanese, Korean, Chinese | | |

**Comment:** The informant said everyone spoke English. The problem lay in the range of choice of foreign languages. Foreign languages were essential in high school. Of great importance was knowledge of the cultural background of the people you are dealing with.

## FACTUAL INFORMATION:

State: WESTERN AUSTRALIA
Company Size: 0 - 50 employees
% of exports to NESCs: 15 - 20%
Use of agents: Totally Substantially Moderately [✓ Not at all]
Products: Beef, mutton, ram (frozen & live)

### Attitude to Key Questions:

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | Chinese, Malay, French, Other European languages | | |

**Comment:** Informant said the company's brokers dealt direct using English. The company was the meat packing company so he wasn't really knowledgeable about the problems encountered.

## FACTUAL INFORMATION:

State: WESTERN AUSTRALIA
Company Size: Not known by informant
% of exports to NESCs: 50%
Use of agents: Totally Substantially Moderately [✓ Not at all]
Products: Wildflowers — dried and fresh

### Attitude to Key Questions:

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |
| Which languages are most important for you? | European languages | | |

**Comment:** This company deals direct, using English. Language is not a barrier to Europe. It would be a good idea to push languages at high school — suggest German and Asian languages especially Japanese.

## FACTUAL INFORMATION:

State: WESTERN AUSTRALIA
Company Size: 0 - 50 employees
% of exports to NESCs: 70%
Use of agents: Totally Substantially Moderately [✓ Not at all]
Products: Wildflowers

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | ✓ | | |
| How often do you need languages? | ✓ | | |

Which languages are most important for you? Japanese, European languages

**Comment:** The informant said the company deals direct, using English. Language was not a problem and the ability to speak a foreign language was no great advantage.

**FACTUAL INFORMATION:**

State: WESTERN AUSTRALIA
Company Size: 78 employees
% of exports to NESCs: 5%

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of Agents: | | | ✓ | |

Products: Wool and grains

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |

Which languages are most important for you? Japanese, Chinese, European languages

**Comment:** English was widely used. The EEC countries accept English as standard and Asian companies have taken the initiative within the last eight years. The younger generation are avid English speakers, though the older people use interpreters. The problem for Australians lies in the choice of languages. It doesn't go astray to learn at high school. The informant felt price was of paramount importance, followed by relationships in competition.

**FACTUAL INFORMATION:**

State: WESTERN AUSTRALIA
Company Size: 60 employees
% of exports to NESCs: 2%

| | Totally | Substantially | Moderately | Not at all |
|---|---|---|---|---|
| Use of Agents: | | ✓ | | |

Products: Heaters for hot water systems

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |

| | |
|---|---|
| Which languages are most important for you? | Asian languages |

**Comment:** English is used widely, but it would prove an advantage to be able to speak the foreign language. It would register favourably with the people you are dealing with.

**FACTUAL INFORMATION:**

| | | | | |
|---|---|---|---|---|
| State: | WESTERN AUSTRALIA | | | |
| Company Size: | 67 employees | | | |
| % of exports to NESCs: | 6% | | | |
| Use of Agents: | Totally | Substantially | Moderately | Not at all |
| | | | | ✓ |
| Products: | Lounge room and commercial lounges (high quality) | | | |

**Attitude to Key Questions:**

| | Never | Occasionally | Frequently |
|---|---|---|---|
| Has a lack of foreign language skills been a disadvantage? | | ✓ | |
| How often do you need languages? | | ✓ | |
| Which languages are most important for you? | Japanese | | |

**Comment:** The informant recognizes the value of being able to speak the foreign language, though he said to gain the advantage it would be necessary to be fluent, or you could mess it up. His managing director is learning Japanese. A knowledge of the foreign language personalizes things. Choice is the problem for Australia. The informant said price and presentation were all important. Personalized, professional attitudes and an understanding of the culture were very important too.

# APPENDIX II

# Survey of Newspaper Advertisements for Positions with a LOTE Requirement

## SURVEY OF ADVERTISEMENTS WITH A LANGUAGE REQUIREMENT

A search of *The Australian* for the month of August 1980 produced no ads. requiring a language ability. The following is a break-down of the ads. found for **August 1985**.

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Aug.3/4 | Marketing Officer (Electrical Industry) | Vic. for one year then Germany | German |
| Aug.7 | Marketing-Loss Control | Sydney | Any second language especially French |
| Aug.10/11 | Chemical/Import/Export Trader (Plastics, fertilizers, fuels - local + international markets | Sydney | Japanese |
| Aug.10/11 | Import/Export Trader/Manager Rural/Meat | Sydney | Japanese |
| Aug.10/11 | Administrator - Shipping | Sydney | Japanese |
| Aug.10/11 | Director (Aust. sub. of Jap.Corp.) | Sydney | Japanese |
| Aug.10/11 | Product Manager (Marketing Exec. for internat. cosmetics Co.) | Melbourne | French |
| Aug.10/11 | Assistant Manager- Export Marketing (Aust Wheat Board promoting Middle East market) | Melbourne (travel involved) | Any relevant language |
| Aug.10/11 | Import/Export Trader/Manager General Merchandise | Sydney | Japanese |
| Aug.14 | Translator (Patent Attorney's Office) | Sydney | German, French, Russian, Spanish |
| Aug.15 | Technical Manager (International ship-owning/management Company) | Sydney | Middle Eastern language |
| Aug.17/18 | Personal Assistant (dealing with business migrants from China, Hong Kong and companies wanting to export to China) | Sydney | Cantonese, Mandarin |

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*The Australian* — August 1985 (continued)

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Aug.21 | Banking and E.D.P. Consultants | Sydney | French |
| Aug.21 | With Publishing Co. | Vic. | Afrikaans |
| Aug.24/25 | Technical Trans. (large computer manufacturer) | Sydney | Japanese |
| Aug.24/25 | Export Sales Exec. (Engineering Co - to market goods in Asia) | S.A.(with regular travel to Asia) | Mandarin & Cantonese |
| Aug.28 | Engineer - Loss Control | NSW | Any second language, preferably Asian |
| Aug.31/ Sept 1 | Export Sales Exec. Military & Indus. | NSW | One or more foreign language |

A search of *The Australian* for **August 1989** produced the following ads. that expressed a language requirement. Note the increased number of ads and the diversity of occupations and languages compared with the previous analysis for August 1985.

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Aug.2 | Secretary (International Import/Export Company) | NSW | Any second language |
| Aug.2 | Personal Assistant to General Manager Export/Import Division (Plantation and forestry products) | Queensland | Malaysian, Indonesian |
| Aug.2 | Managing Director, Retail Company | Brisbane | Japanese |
| Aug.2 | Travel Industry, Supervisor for Tour Operator | Sydney | Japanese |
| Aug.2 | Japanese Landscape Architect | Gold Coast Qld | Japanese |
| Aug.3 | Marketing Manager (National Export Company) | NSW | Portugese & Spanish<br>French & Italian |
| Aug.5/6 | Manager/Head Chef | Sydney | Spanish |
| Aug.5/6 | Salesperson (Floral industry - import/export) | SA | Dutch |

*The Australian* — August 1989 (continued)

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Aug.5/6 | Meat Export Documentation (to Japan, Korea, Canada, France) | Sydney | French |
| Aug.11 | Chinese Chef | Tasmania | Chinese |
| Aug.11 | Regional Manager, Aust. Trading Co. (SE Asia) | Sydney | Any relevant language |
| Aug.12/13 | Management Position Chinese Restaurant | Queensland | Cantonese |
| Aug.12/13 | Spanish Translator (Commission for Conservation of Antarctica Marine Living Resources) | Hobart | Spanish |
| Aug.12/13 | Technical Inspector (Aust. manufacturer of high tech equip exported to Indonesia) | Sydney | Indonesian |
| Aug.16 | Mechanic — Air Con. Foreman | NSW | Mandarin/Cantonese |
| Aug.16 | Travel Consultant | Melbourne | French, Japanese |
| Aug.16 | Chef | NSW | Cantonese |
| Aug.19/20 | Secretary | Sydney | Cantonese, Mandarin |
| Aug.19/20 | Secretary — International Carpet Specialists (Asia and SE Asia) | Victoria | Chinese/Malay |
| Aug.19/20 | Executive Secretary/Personal Asst (Aust. Art and Fashion Co.) | Queensland (extensive internat. travel) | Spanish, Afrikaans, French |
| Aug.19/20 | Wine and Food Consultant (Import/Export Co. for marketing French Foods) | Sydney | French |
| Aug.23 | Chief Chef | Queensland | Mandarin, Cantonese |
| Aug.23 | Japanese Translator Typsetter | Brisbane | Japanese |
| Aug.23 | Manager (Timber & Furniture Co. trading with Asia) | Sydney | Malay, Mandarin, also Hockian Harka |
| Aug.26/27 | Assistant Manager Japan (WA Tourist Comm) | Perth (based in Tokyo) | Japanese |
| Aug.26/27 | Chef and Head Chef | NT | Chinese, Cantonese |
| Aug.26/27 | Wine-maker | Tasmania | French |
| Aug.30 | Clothing Supervisor | Melbourne | Cantonese |

The following is a break-down of the advertisements found in *The Australian* during **September 1980**. It should be noted that there were no ads. found in the August 1980 editions.

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Sept.5 | Export trading | Hong Kong | Cantonese/Mandarin<br>Taiwanese |
| Sept.13/14 | Executive Officer (Dept. of Immigration & Ethnic Affairs) | Canberra | Second language |
| Sept.27/28 | Senior Translator (Computer company) | Sydney | Japanese |

The following ads. were found in **September 1985** newspapers. There were three times as many.

| | | | |
|---|---|---|---|
| Sept.3 | Export Sales Exec. (Military and Industrial equipment) | NSW (includes overseas travel) | One or more foreign language |
| Sept.4 | Maitre D'Hotel | Victoria | French |
| Sept.4 | Sales Executive (Company trading with SE Asia) | NSW | Mandarin |
| Sept.7/8 | Co-ordinator (Oil/gas projects) | Perth | Japanese |
| Sept.7/8 | General Manager - International Operations | Sydney | SE Asian language |
| Sept.12 | State Manager - European Food and Catering Distributor | Victoria | German, French, Spanish, Dutch |
| Sept.21/22 | Import/Export Trade Negotiator | Melbourne | Japanese |
| Sept.25 | Representative — Sydney Sumitomo Bank | Japanese | |
| Sept.28/29 | Export Development Manager (Australian manufacturer of chicken roasting equip.) | Sydney | Malay |

There was a dramatic increase in the number of ads. specifying a foreign language ability in **September 1989** as compared with 1980 and 1985. Here is the break-down.

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Sept.4 | Tour Co-ordinator | Sydney | Japanese |
| Sept.4 | Manager/Head Chef | Sydney | Spanish |
| Sept.6 | Assistant General Manager, (International Trade & Investment Group) | Sydney | Chinese |
| Sept.6 | Gen. Manager - Merchandising (Opals) | Perth | Mandarin/Cantonese |
| Sept.6 | Tour Co-ordinator | Sydney | Japanese |
| Sept.6 | Chinese Typesetter | Sydney | Chinese |
| Sept.6 | Executive Secretary | Sydney | Asian language |
| Sept.6 | Chef - 2 positions | Gold Coast, Qld | Japanese |
| Sept.6 | Exec. Sec/P.A. (Property development and material handling company) | Sydney | Mandarin/Cantonese |
| Sept.9/10 | Export & Marketing Manager for East Asian market | Sydney | Mandarin |
| Sept.13 | Exec. Assist. for Japanese Company | Sydney | Japanese |
| Sept.13 | Exec. Officer (Chinese Club of Queensland) | Brisbane | Mandarin/Cantonese |
| Sept.13 | Manager Export (Seafood Exports) | NSW | Japanese |
| Sept.14 | Sec./Receptionist (Language School) | NSW | Dutch, Spanish, Indonesian, German, French |
| Sept.15 | Export/Product Man. (Sports equipment manufacturer) | Sydney | Pacific/Asian language |
| Sept.16/17 | Thai Cook | Brisbane | Thai |
| Sept.16/17 | Guest Relations Officer Hilton Int. Hotel | Sydney | Japanese |
| Sept.16/17 | Admin. Assistant (Stationery Manufacturer) | NSW | Chinese |
| Sept.16/17 | Manager-Aust./Chinese Poultry/Animal Feed Co. | Sydney | Mandarin/Cantonese/ Chuchow |
| Sept.16/17 | Senior Manager - International Airlines | Brisbane | Asian language |
| Sept.18 | Manager for Tourist Resort | NSW | Japanese |
| Sept.20 | Guide Chauffeur | VIC | Japanese |
| Sept.20 | Director, Export Division | Brisbane | Cantonese/Mandarin, Business Japanese |

*The Australian* — September 1989 (continued)

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Sept.20 | Ad. Designer/Prod. for Japanese market | Brisbane | Japanese |
| Sept.21 | Assistant to Manager | Brisbane | Portugese |
| Sept.21 | Tour Bus Driver | Gold Coast | Japanese |
| Sept.23/24 | Tour Co-ord/Interpreter | Gold Coast | Japanese |
| Sept.23/24 | Manager, Import/export,trading with China | NSW | Mandarin/Shangai |
| Sept.23/24 | Sales and Service Person | NSW | Chinese |
| Sept.23/24 | Financial Controller | Victoria | Cantonese/Mandarin |
| Sept.23/24 | Production Super. (Dressmaking Co.) | NSW | Korean |
| Sept.23/24 | Interpreter/Trans. (S.A. Ethnic Aff. Com.) | Adelaide | Mandarin/Cantonese/ Khmer/Polish/ Vietnamese |
| Sept.23/24 | Secretary of Japanese Transport Co. | Sydney | Japanese |
| Sept.23/24 | Textile Specialist (Dress manufacture& fabric wholesaler) | Sydney(includes overseas travel | Japanese/Korean |
| Sept.23/24 | French Translator (Com. for Conserv. of Antarctic Marine Life Resources) | Hobart | French |
| Sept.23/24 | Export/Import Trader (Agricultural commodity trading) | NSW | French, Spanish |
| Sept.27 | Japanese Translator and Interpreter (To co-ord Home Stay Prog.) | Gold Coast | Japanese |
| Sept.27 | Manager Asia/Pacific Bus. Dev. and Man | NSW | Mandarin/Cantonese |
| Sept.27 | Export Dev. Man. (Manufacturer and Distributor of con. grocery goods - SEAsia) | Sydney | Chinese |
| Sept.27 | Prod. Man.- Export Fashion Clothing | W.A. | Vietnamese, Cantonese |
| Sept.29 | Translator - full time for buying agent | Victoria | Chinese - at least 2 dialects |
| Sept.30<br>Oct.1 | Assistant Man. in Japanese section (Marketing and Pub. Relations-tour groups) | Sydney | Japanese |
| Sept.30<br>Oct.1 | Japan Business Man. to develop export markets in Japan for printing rolls | Tasmania | Japanese |

A search of *The Sydney Morning Herald* for **August 1980** produced the following ads. requiring a language ability:

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Aug.1 | Secretary | Sydney | Mandarin |
| Aug.2 | Bilingual Information Instructors (Dept of Immigration) | Sydney | Greek/Serbian/ Croatian/Czech/Hun/ Pol/Ger./Rumanian |
| Aug.4 | Marketing Expert (Wines) | NSW | Italian |
| Aug.30 | Travelling Export Manager/Trainee | Sydney (Includes overseas travel) | Dutch/German/ French |

During **August 1985** there were almost three times as many ads. having a language requirement.

| | | | |
|---|---|---|---|
| Aug.3 | Community Worker | Sydney | More than one Yugoslav language |
| Aug.3. | Secretary | Sydney | German |
| Aug.3 | Travel Manager | Sydney | Japanese |
| Aug.5 | Community Worker | NSW | Any community language |
| Aug.5 | Graduate Clerk — Japanese Co. | Sydney | Japanese |
| Aug.10 | European Tour-Liaison Officer | Sydney (plus overseas travel) | More than four foreign languages |
| Aug.10 | Salesperson — Jewellery (Opals etc.) | Sydney | Japanese |
| Aug.10 | Secretary (Import Co.) | NSW | German |
| Aug.10 | Greek Sub-titler (SBS) | Sydney | Greek |
| Aug.10 | Interpreters (Interpreter/Translator agency) | Sydney | Any foreign language |
| Aug.12 | Marketing and Development Exec. | Sydney | Scandanavian, other European languages |
| Aug.17 | Manager (Samsung Aust.- Importers-Exporters) | Sydney | Korean |
| Aug.29 | Travelling Export Management Trainees (Internat. Marketing in Industrial Maintenance field) | Sydney | Any foreign language |
| Aug.31 | Export Sales Exec. | NSW | One or more foreign languages |

In **August 1989** a total of 29 advertisements with a language requirement appeared in *The Sydney Morning Herald*:

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Aug.2 | Receptionist Trade Information Officer | Sydney | German |
| Aug.5 | Technical Inspector (Scientific equip.) | Djakarta | Indonesian to be learnt on job |
| Aug.5 | Sales Assistant Souvenir Shop | Sydney | Japanese |
| Aug.5 | "Minder" for Japanese honeymooners | Sydney | Japanese |
| Aug.5 | Exec. Secretary to Managing Director | Sydney | Japanese |
| Aug.5 | Sales Consultant | Sydney | Japanese |
| Aug.5 | Rental Sales Agent (Hertz) | Sydney | Japanese |
| Aug.5. | Inbound Consultant (Qantas Jetabout) | Sydney | Japanese |
| Aug.5 | Operation Manager (Qantas Jetabout) | Sydney | Japanese |
| Aug.7 | Bank Teller | Sydney | Chinese |
| Aug.9 | Tour Guide | Sydney | Japanese |
| Aug.12 | Customer Service Manager | Sydney | Japanese |
| Aug.12 | Salesperson - Leather Boutique | Sydney | Japanese |
| Aug.16 | Secretary/Personal Assistant (Japanese External Trade Organization) | Sydney | Japanese |
| Aug.16 | Chef | Sydney | Cantonese |
| Aug.19 | Bilingual Information Officers (Dept. of Immigration) | Sydney | Arabic/Chinese/Farsi/ Korean/Laot/Polish/ Spanish/Tagalog/Turk |
| Aug.19 | Photographer (Japanese weddings) | Sydney | Japanese |
| Aug.19 | Secretary | Sydney | Japanese |
| Aug.19 | Manager/Head Chef | Sydney | Spanish |
| Aug.19 | Wait person | Sydney | Japanese |
| Aug.23 | Manager (Kings Cross Japanese restaurant) | Sydney | Japanese |
| Aug.23 | Sales Assistant — Souvenir Shop | Sydney | Japanese |
| Aug.26 | Clerk (Cons Gen. Fed.Rep. of Germany) | Sydney | German |
| Aug.26 | Sales Staff, Angus Coote, Duty Free Shops | Sydney | Japanese |
| Aug.26 | Internat. Equities Trader (Japan Downunder) | Sydney | Japanese |
| Aug.26 | Executive Secretary (Japan Downunder) | Sydney | Japanese |
| Aug.28 | Manager-Restaurant | Sydney | Cantonese |
| Aug.30 | Receptionist (Duty Free Shop) | Sydney | Japanese |

A search of *The Sydney Morning Herald* for **September 1980** produced a total of five ads. that referred to an ability to use a foreign language. They are represented as follows:

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Sept.3 | Executive Secretary — Major Travel Co. (Club Mediterranee) | Sydney | French |
| Sept.6 | Sales Rep— Export (training provided) | Sydney (includes o/seas travel | One or more foreign languages |
| Sept.8 | Secretary (Export/Import wholesale company) | Sydney | French |
| Sept.17 | Executive Secretary (Schwarzkopf-hair care products) | Sydney | German |
| Sept.27 | Secretary (large German engineering company) | Sydney | German |

The tally for **September 1985** was two more. Note the shifting emphasis towards Asian languages.

| | | | |
|---|---|---|---|
| Sept.4 | Sales Exec. SE Asia Region | NSW (includes o/seas travel) | Mandarin |
| Sept.7 | General Manager Internat.Operations (financial institution) | Sydney | SE Asian language |
| Sept.9 | Export Trainee Man. Travelling Field (overseas marketing of quality consummain. products) | Sydney | Any foreign language |
| Sept.11 | Bilingual Sec/Typist (Scientific Instrument Dept.) | Sydney | German |
| Sept.14 | Deputy Manager - Electronics and Mechatronics Dept. Jap. Trading Co. | Sydney | Japanese |
| Sept.14 | Travelling Export Trainee Manager (International marketing company) | Sydney (then relocation in overseas market ) | At least one foreign language |
| Sept.30 | Secretary | Sydney | Japanese |

There was a veritable proliferation of ads. requiring a foreign language ability during **September 1989**, in comparison with the same month in 1980, and 1985. This was characterised by an increased variety of languages (dominated by Chinese and Japanese) and occupations.

| DATE | OCCUPATION | LOCATION | LANGUAGE |
|---|---|---|---|
| Sept.1 | Manager — Chinese Restaurant | Sydney | Cantonese |
| Sept.1 | Waiter/ess — Italian Restaurant | Sydney | Italian |
| Sept.1 | Waiter/ess | Sydney | Italian |
| Sept.2 | Assistant Genera; Manager — Business Development (Aust. sub-sidiary trading & investment group) | Sydney | Chinese |
| Sept.2 | Dept. Manager (Duty Free Shop) | Sydney | Japanese |
| Sept.2 | Marketing Manager | Sydney (includes travel) | Chinese |
| Sept.2 | Tour Co-ordinator | Sydney | Japanese |
| Sept.4 | Manager-Head Chef (Mexican food outlet) | Sydney | Spanish |
| Sept.4 | Sec./Receptionist | Sydney | French |
| Sept.6 | Executive Secretary/Personal Assistant (Property development and material handling company) | Sydney | Mandarin/Cantonese |
| Sept.9 | Manager-Export and Marketing (for SE Asia market) | Sydney | Mandarin |
| Sept.9 | Manager (International Co. selling wool to China) | Sydney | Chinese |
| Sept.9 | Market Executive (Property Development Co. Job to handle migrant-related services) | Sydney | Chinese |
| Sept.9 | Project Officer Aids Council of NSW (Ethnic Gay Men Project) | NSW | Any major SE Asian language |
| Sept.9 | Sec./Assistant (Australian subsidiary of W.German Co. supplying industrial gases) | Sydney | German |

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